

PERFORMANCE BANK GUARANTEE FOR FOREIGN PURCHASESBANK NAME AND ADDRESS

Bharat Heavy Electricals Ltd
 Electro Porcelains Division
 PB No: 1245, Science Institute Post
 Bangalore – 560012

Dear Sir,

Ref: CONTRACT PERFORMANCE GUARANTEE.

WHEREAS you have entered into a contract reference No PO NO. _____ with M/s
 _____ having its registered office
 at _____ for the supply of _____ as

detailed in your purchase order No. _____ which is hereinafter referred to as "the
 said contract" and WHEREAS M/s _____

has undertaken to produce a Bank Guarantee for 10% (Ten Percent) of _____ the contract price
 amounting to _____ (_____

_____) to secure its obligations to Electronics Division, BHEL having its
 registered office at New Delhi for the performance of the contract including the warranty of the
 equipment supplied, We _____ Bank
 _____ hereby expressly, irrevocably and unreservedly
 undertake and guarantee as principal obligors on behalf of
 M/s _____ that in the event Bharat Heavy Electricals Ltd.
 (B.H.E.L.) declares to us in writing that M/s _____ has not fulfilled
 any obligation according to the contractual obligation of the said contract, to pay you on demand and
 without demur to Bharat Heavy Electricals Ltd., Electro porcelain division, Bangalore-560 012, India
 an amount of _____ (in words

_____) subject to
 as may be determined below:

1) Notwithstanding any right M/s. _____ may have directly
 against you or any disputes raised by M/s

_____, your written demand shall be
 conclusive evidence to us that repayment is due under the terms of the said contract and shall
 be binding on us.

2) We shall not be discharged or released from this undertaking and Guarantee by any arrangements, variations made between you and M/s. _____ with or without our consent and Knowledge or by any alterations in the obligations of M/s.

_____ by any forbearance whether as to payment, time, performance or otherwise.

3) This guarantee shall remain valid until the end of twenty-four weeks after the close of the warranty period or until the same is reported by BHEL to us whichever is earlier.

4) We agree and undertake not to revoke this guarantee during its validity unless discharged in writing by you subject to the provision of clause (7) below.

5) This guarantee shall be a continuing guarantee subject to the foregoing and shall not be discharged by any change in the constitution of the Bank or M/s.

6) This guarantee shall be governed by and constructed in accordance with the Laws of India.

7) At any time _____ Bank may render this guarantee null and void by paying to Bharat Heavy Electricals Ltd. the full amount being

_____ (in words)

_____)

For and on behalf of Bank
by its Authorized Signatory

Note:

- (1) To be executed in INR 100 Non-Judicial stamp paper by any authorized Indian Bank.
- (2) To be submitted directly by banker to concerned executive in purchase dept., Please give BHEL address to banker.
- (3) Do not enclose with Bank document.
- (4) Any Modification & omissions to this are not permitted

PERFORMANCE BANK GUARANTEE (FOR INDIGENOUS PURCHASE ORDERS)

THIS DEED OF GUARANTEE made and executed on the _____ day of

_____ (year), by the _____ (Bank), registered under the Companies Act 1956/Nationalized Bank constituted under the Banking Companies (acquisition and transfer of undertakings) Act constituted under the State Bank of India Act / Subsidiary Banks Act, having its registered / head office at _____ represented herein by its Branch Manager / authorized representative Sri. _____ & Sri. _____ (Hereinafter called 'guarantor ' which term shall mean and include its successors and assigns)

IN FAVOUR OF BHARAT HEAVY ELECTRICALS LIMITED

_____ (Buyer's Name), a company registered under the companies Act, 1956 having its registered office at BHEL House at Siri Fort , New Delhi-100 049 and its Electronics Division at Mysore road, Bangalore-26 (hereinafter referred to as the 'Company' Which term shall include its successors and assigns):

Whereas the company has placed an order on

_____ (State the name of the company / firm and its address) (hereinafter referred to as the 'Supplier' which term shall mean and include its liquidators, successors and assign) for the supply of system under order / Contract No _____ Dt _____.

AND WHEREAS the supplier has agreed to supply the materials and carryout the works as detailed and in accordance with the terms set out in the said order/contract.

AND WHEREAS the company is not required to pay to the supplier a sum of Rupees

_____ being the 10% of the value of the goods supplied / Works performed / Services rendered under the said order / contract between the supplier and the company, till the company is satisfied with the mechanical Warranties and the performance standards stipulated in the said order / contract between the company and the supplier has been duly fulfilled, except against a Bank Guarantee for the said sum of Rs _____ in favour of the company by reputed Bank, in which case the company has agreed to make payment to the supplier of the said sum of Rupees

_____ being (...%) of the value of the goods supplied / Works performed

Services rendered under the agreement between the supplier and the company and the Guarantor has at the request of the supplier, agreed to furnish this Guarantee subject to the terms and conditions stated below:

ANNEXURE - F

NOW THIS DEED WITNESSES THAT IN pursuance of the above said agreement, the guarantor hereby agrees and covenants With company is as follows :-

- 1) That during the period this contract of Guarantee remains effectual, the guarantor shall be liable in respect of the amount due and owing to the company in respect of the payments to the extent of Rs _____ (in words) _____ against any loss or damage caused to or suffered by the company by reasons of any breach of the terms of the said order / contract / Agreement by the supplier.
- 2) The Guarantor hereby undertakes to pay the amounts due and payable under this guarantee without any demur, merely on demand from the company intimating that the amount claimed is due by way of loss or damage caused to or suffered or would be caused or suffered by the supplier of any terms contained in the said order / contract. Any such demand made on the guarantor shall be conclusive as regards the amount due and payable by the Guarantor irrespective of the fact whether the Contractor / supplier admits or denies.
- 3) The Guarantor further agrees that the agreement herein contained shall remain in force and effect till all the supplies to be made / Works to be performed / Services to be rendered under the said order / contract / agreement are completed to the entire satisfaction of the company or till company certifies that the terms and conditions of the said order / contract / agreement have been fully and properly carried out by the said supplier and accordingly discharges the Guarantee. Unless a demand or claim under this guarantee is made on the guarantor in writing on or before the expiry of claim period indicated in clause 6 below, the guarantor shall be discharged from all the liability under this guarantee thereafter.
- 4) The guarantor further agrees with the company that the company shall have the fullest liberty without the consent of the guarantor and without effecting in any manner the obligations of the guarantor hereunder to vary any of the terms of the said order / contract / agreement or extend the time of performance by the said supplier from time to time or refrain from exercising the power exercisable by the company against the said supplier or to forebear or omit to enforce any of the terms and conditions relating to the said order / contract / agreement, and the guarantor shall not be relieved of its liability in whole or in part , by reason of any act, commission or forbearance on the part of the company or by reason of any such variation, or extension being granted to the said supplier or by reason of any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving the guarantor.
- 5) The guarantor undertakes not to revoke this guarantee during its currency except with the previous consent of the company in writing.
- 6) Notwithstanding anything herein above contained, the liability of the guarantor under these Presents is restricted to Rs _____ . The guarantee shall be in force till its expiry on _____ unless a demand is made on the guarantor within SIX months from the date of expiry, all the liability of the guarantor under this guarantee shall stand fully

discharged. The decision of the claimant in regard to breach of contract is final and binding on the Bank. 13

IN WITNESS whereof, the guarantor, acting through its authorized representative has executed this deed of Guarantee on the day, month and year first above written.

WITNESS

(Seal of the Bank to be affixed)

1.

2.

Note: Bank Guarantee shall be sent directly by bank to the concerned Purchase Executive.

ANNEXURE - G

BHEL MEMBER BANKS (CONSORTIUM BANKS)

PBG SHALL BE ISSUED FROM THE FOLLOWING BANKS OR THEIR BRANCH

OFFICES ONLY

| | |
|---|-----------------------------|
| 1 | STATE BANK OF INDIA |
| 2 | PUNJAB NATIONAL BANK |
| 3 | HDFC BANK |
| 4 | SYNDICATE BANK |
| 5 | CANARA BANK |

| | |
|----|---------------------------|
| 6 | INDIAN BANK |
| 7 | ST. BANK OF HYDERABAD |
| 8 | ICICI BANK |
| 9 | STANDARD CHARTERED BANK |
| 10 | UCO BANK |
| 11 | KOTAK MAHINDRA |
| 12 | ORIENTAL BANK OF COMMERCE |
| 13 | STATE BANK OF TRAVANCORE |
| 14 | CENTRAL BANK |
| 15 | IDBI BANK |
| 16 | FEDERAL BANK |
| 17 | HSBC LTD |
| 18 | DEUTSCHE BANK |
| 19 | CORPORATION BANK |
| 20 | CITI BANK |
| 21 | BANK OF BARODA |
| 22 | ABN AMRO BANK |
| 23 | UNITED BANK OF INDIA |

| | |
|----|-------------------------------|
| 24 | VIJAYA BANK |
| 25 | UNION BANK OF INDIA |
| 26 | PUNJAB & SIND BANK |
| 27 | ANDHRA BANK |
| 28 | BANK OF INDIA |
| 29 | AXIS BANK |

The list of BHEL approved consortium bank may be updated from time to time. Please check with the purchasing executives for correctness.

ANNEXURE – H

This format is applicable only to Indian Suppliers/ Agents supplying indigenous portion of Foreign Purchases.

| SEARP (SRF) Clause No | Detail |
|--------------------------------------|--|
| | Name & address of the firm |
| 1.0 | Products/ Systems / Services being considered for |
| 2.0 | General Information |
| 2.2 | Name of Chief Executive |
| 2.3 | Details of authorized signatory |
| 3.0 | Ownership Information |
| 3.1 | Type of firm |
| 3.2 | Nature of Business <ul style="list-style-type: none">• Attach authorization letter and agency agreement from <i>Principal</i> (from whom capital equipment is procured)• Attach copy of declaration from Foreign Principal for total guarantee/ warranty of indigenous supplies |
| 3.3 | Year of establishment |
| 3.4 | Year of commencement of business |
| 4.0 | Registration particulars |
| 4.1 | Permanent Account No. |
| 4.2 / 4.3 | Sales Tax / TIN no |
| 4.6 | Service tax no. (in case of E&C) |
| 5.0 | Organizational strength |
| 6.0 | Other particulars |
| 6.1 | If the company is already registered with other units |
| 6.2 | Directors/ Partners, if related to any BHEL Employee |

| | |
|-----|---|
| | |
| 6.3 | If an Ex BHEL Personnel employed by the Company |
| | |
| | |
| | |

Details of pending legal issues with BHEL
 Bank Account information

6.4 Financial information and the bankers details to be furnished

| | |
|-----|---|
| 6.5 | Sales/ Turnover details of last 3 years (or from the date of incorporation whichever is less) |
|-----|---|

THE BELOW THIRD PARTY NON DISCLOSURE AGREEMENT IS MANDATORY TO SUBMIT ALONG WITH TECHNO-COMMERCIAL BID; IF NOT SUBMITTED IN TECHNICAL BID; YOUR OFFER WILL BE LIABLE FOR REJECTION COMMERCIALY.

THIRD PARTY NON-DISCLOSURE AGREEMENT

I,-----on behalf of the -----(Name of company),acknowledge that the information received or generated,directly or indirectly,while working with BHEL on contract is confidential and that the nature of the business of the BHEL is such that the following conditions are reasonable,and therefore:

I warrant and agree as follows:

I,or any other personnel employed or engaged by our company,agree not to disclose,directly or indirectly,any information related to the BHEL.Without restricting the generality of the foregoing,it is agreed that we will not disclose such information consisting but not necessarily limited to:

Technical information:methods drawings,processes,formulae,compositions,systems techniques, inventions,computer programs/data/configuration and research projects.

Business information: Customer lists, projects , schedules, pricing data estimates, financial or marketing data.

On conclusion of contract ,I, or any other personnel employed or engaged by our company shall return to BHEL all documents and property of BHEL, including but not necessarily limited to: drawings, blueprints, reports, manuals, computer programs/data/configuration, and all other materials and all copies thereof relating in any way to BHEL's business, or any way obtained by me during the course of contract. I further agree that I, or any others employed or engaged by our company shall not retain copies, notes or abstracts of the foregoing.

This obligation of confidence shall continue after the conclusion of the contract also.

I acknowledge that the aforesaid restrictions are necessary and fundamental to the business of the BHEL, and are reasonable given in the nature of the business carried on by the BHEL.I agree that this agreement shall be governed by and construed in accordance with the laws of the country.

I enter into this agreement totally voluntarily, with full knowledge of its meaning, and without duress.

Dated at-----this -----day of -----20-----

Name

Company

Signature