

**Annexure - D to TENDER
STANDARD COMMERCIAL TERMS & CONDITIONS
[FORMAT TO BE FILLED-UP BY THE SUPPLIER]**



S No.	BHEL Standard Terms	Supplier Confirmation	Deviation
01	Price: Supplier shall be quoted on "FIRM PRICE" basis only. No price variation clause will be entertained.		
02	Terms of Delivery:		
(a)	Indigenous Supplies : FOR - Destination means FOR - Thermal Power Station, Tuticorin, Dist: Thoothukudi, Tamil Nadu, India [Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included in the quoted prices.		
(b)	Foreign Supplies : FOB / FCA basis inclusive of SEA / AIR-worthy packing and inclusive of all charges till FOB / FCA. Freight charges up to Chennai Port may also be quoted separately.		
03	Time Period for 'Supply' : To be indicated in weeks from date of receipt of Letter of Intent (LoI). The bidder's should quote their earliest schedule for Supply against the schedule indicated in the NIT. Supply period indicated by bidder should include reasonable time required for approval of drawings and other inputs from BHEL. In the Techno-Commercial Bid, the bidder shall submit milestones for various activities in co-relation with Supply and E&C period quoted by him. BHEL, however, reserves the right to accept an offer not meeting the NIT schedule.		
04	Penalty: Supplier should quote a definite delivery period and any delay in delivery beyond the P.O delivery date will attract Penalty of 0.5% per week subject to a max. of 10% of order value.		
	Loading Factor for non-acceptance of Penalty Clause: In case any bidder is not accepting the above penalty for delayed Supply, the offer of bidder shall be loaded to the extent to which it is not agreed by the bidder. Example: If the Supplier has accepted for maximum 5% penalty clause, then balance 5% will be loaded for evaluating lowest bidder.		
05	Payment Terms: Additionally, for any deviation sought including as mentioned above, in Payment Terms by bidder w.r.t. tender conditions, following loading shall be followed: (a) Base rate of SBI as applicable on the scheduled date of tender opening (Technical Bid) + 6%, for the amount & period of relaxation sought by bidder. (b) On account of payment through LC, if insisted by bidder, Bank charges shall also be loaded for the deviation in (i) opening of LC by BHEL and (ii) period and amount of LC w.r.t. NIT norms, as per the prevailing bank rates.		
(a)	Terms of payment for Indigenous Offer: Dispatch of Goods on door delivery basis only. Goods dispatched with documents presented through Bank will be loaded with corresponding bank charges.		
(i)	100% payment of Supply value shall be made within 90 days (45 days for MSME suppliers) from the date of receipt of material at Destination.		

S No.	BHEL Standard Terms	Supplier Confirmation	Deviation
(b) (i)	<p>Terms of Payment for Foreign Offers: Total supplies are to be from Foreign Source. Letter of Credit for 100% value (less Agency Commission if any) shall be opened after receipt of acceptable CEBG (if applicable) and inspection call or 2 months prior to the agreed delivery date whichever is later and valid for 75 days for shipment and for 15 days thereafter for negotiation. (Or if the supplier so requires: 69 + 21 days).</p> <p>Supplier shall ensure shipment within the LC validity period. LC opening charges within India is BHEL's account and out side India is suppliers account. In case of any default, the LC amendment charges in such cases shall be to supplier's account.</p>		
(ii)	<p>Whenever there is an Indian Agent to represent a Supplier, it is mandatory to give the details of services to be rendered by Indian Agent and / or the details of agreement between Supplier and Agent. Supplier to indicate the Agency Commission payable. Indian Agency Commission will be paid only in Indian Rupees, calculated at the rate of exchange prevailing on the date of Purchase Order. This is payable on satisfactory completion of the contract. Note: In order to maintain sanctity of the tender system, it is mandatory that one Agent cannot represent two Suppliers or quote on their behalf in a particular tender enquiry. If any Agent represents more than one Suppliers all such offers will be rejected.</p>		
06	<p>CEBG: The successful tenderer shall be required to execute within 30 days from the date of PO, a contract execution bank guarantee for 10% (ten percent) of the Contract Price in favour of the BHEL.</p>		
(i)	<p>Bank Guarantee (CEBG and PBG) from indigenous suppliers shall be in the prescribed form and from the list of bankers, provided by BHEL.</p>		
(ii)	<p>Bank Guarantee (CEBG and PBG) from foreign suppliers should be in the prescribed form from any Bank of international repute. The bank guarantee is to be confirmed by any of the approved Banks of BHEL.</p>		
07	<p>Guarantee Period: Guarantee regarding workmanship, materials used, design and performance should be for a period of 12 months from the date of commissioning or 18 months from the date of supply whichever is earlier.</p> <p>Loading Factor for non-acceptance of Guarantee Period: Less than 12 months from commissioning will attract loading of AMC charges for difference of quote with guarantee period. Example : If a Supplier provides 06 months guarantee period, in place of 12 months, then the difference 6 months will be loaded with AMC charges of 4% per annum for difference period of 6 months i.e. 2% of total cost will be loaded for evaluating lowest bidder.</p>		
08	<p>Performance Bank Guarantee (PBG): The Supplier shall submit a PBG for 10% of the contract value or acceptance for retaining 10% of contract value by BHEL in lieu of PBG valid for Guarantee period.</p>		
	<p>Loading Factor for non acceptance of Performance Bank Guarantee / retaining of 10% of contract value by BHEL or acceptance of a PBG with lesser percentage or lesser period than specified: Will attract disqualification of the offer.</p>		

S No.	BHEL Standard Terms	Supplier Confirmation	Deviation
09	Essential / Mandatory Spares: Suppliers to quote for O & M spares suitable for one year trouble free operation post warranty period along with their individual quantity & price separately.		
10	Validity: Supplier to mention clearly the validity date of the offer. [Minimum 180 days from tender opening date]		
11	Risk Purchase: Supplier specific confirmation is required for this clause - The purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or despatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefor. The supplier shall be liable for any loss which the purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in "Penalty" clause.		
12	Taxes & Duties:		
(i)	Excise duty in % (for Indigenous supplier): To be indicated by supplier. ED invoice is required for availing Cenvat benefit		
(ii)	Sales tax in % (for Indigenous supplier): VAT / CST to be indicated by the supplier.		
(iii)	Service Tax for services: To be indicated by supplier.		
(iv)	Income Tax: Wherever applicable income tax shall be deducted at source as per the rules and regulations of the Government of India. Necessary Tax Deduction at Source (TDS) certificate will be issued by BHEL for which supplier shall submit Permanent Account Number (PAN) and Tax Residency Certificate (TRC).		
13	Test Certificate: To be submitted.		
14	O & M Manual: 6 sets in english language free of cost along with materials.		
15	Supplier shall quote for List of Loose items as per ANNEXURE-B		
16	Vendor shall submit Manufacturing Quality plan in line with the Engg specification requirements for BHEL/Customer review & approval.		
16	Pre-Despatch Inspection (PDI): BHEL will have the option to pre-inspect the equipment at Supplier's works by BHEL's own inspector or by third party agency appointed by BHEL and customer as per approved drg and approved MQP before despatch. Inspection call for carrying out the inspection shall be given 15 days before the scheduled contract delivery date for indigenous sources. BHEL requires clear 30 days notice to arrange for inspection for foreign sources.		
17	Vendor shall submit identical design Type Test Report with validity of five year from the date of enquiry. The type test should have been conducted at reputed Govt laboratory in case identical design type test report is not available, vendor to conduct all the type test as per IS 2026 with witness of BHEL/Customer at their own cost.		
16	For Foreign Offers:		
(i)	Manufacturers' Name and address:		
(ii)	Country of Origin:		
(iii)	Nearest - 1. Seaport; 2. Airport		
(iv)	Approximate weight, cubage of the consignment and number of containers required for shipment.		
The above Commercial Terms and Conditions are confirmed by us for this tender. In case there is a variance between the conditions confirmed above and the main offer, we certify that the Commercial Terms and Conditions given above shall take precedence.			

TECHNICAL CONFIRMATION CHECKLIST

- 1.0 Enquiry reference :
- 2.0 Bidder Name :
- 3.0 Bidder offer reference :
- 4.0 Item Description : High voltage Transformer Rectifier and Electronic control panel but without Microprocessor based TR set controller.
- 5.0 Technical confirmation (Page 3 of ECI: TUTICORIN:EC-HVR:REV01) : YES / NO
- 5.1 Compliance to enquiry Technical specification : YES / NO
- 5.2 Compliance to Additional Requirements of EC-HVR as Indicated in the enquiry Document Ref. ECI:TUTICORIN:EC-HVR REV 01 : YES / NO
- 5.3 Rating of EC-HVR as per enquiry : YES / NO
- 5.4 Commissioning of EC-HVR Included in the scope : YES / NO
- 5.5 Supply of O&M Manual Included in the scope : YES / NO
- 5.6 Compliance to Quality Plan/ Checklist indicated in the Enquiry : YES / NO
- 5.7 Compliance to the painting details Indicated in the enquiry Technical Specification : YES / NO

SIGNATURE WITH OFFICIAL SEAL.

Bank Guarantee No. _____ Date _____
Banker Name _____ Bank Guarantee Value _____

Please affix Non-Judicial Stamp here
as per Stamp Act

BANK GUARANTEE

1. This deed of guarantee made this _____ day of _____ by

(Bank's name, branch, place, address) (hereinafter referred to as 'the Bank') in favour of M/s. Bharat Heavy Electricals Limited (A Government of India undertaking, a company incorporated under the Companies Act 1956 having its Registered Office at "BHEL House", SIRI Fort, New Delhi - 110049) through its Boiler Auxiliaries Plant located at Ranipet - 632406, (hereinafter called "the Company").

2. WHEREAS the Company has entered into a contract with M/s. _____
_____ (hereinafter called "the said Contractor", which term includes "suppliers" for the purpose of this guarantee), for supply of equipments and/or services by the said Contractor vide Contract No. _____, dated _____.

3. WHEREAS under the terms and conditions of the said Contract between the Company and the said Contractor, the said Contractor is to furnish a performance Bank Guarantee for due performance of the equipment to be supplied under the said Contract and for the fulfillment of all the terms and conditions of the said Contract.

4. WHEREAS the said Contractor have requested the Bank to offer a Guarantee and at their request, WE the Bank have agreed to furnish such Guarantee to the said Contractor.

.....2

Sign & Seal of the Issuing Bank

Bank Guarantee No. _____ Date _____

Banker Name _____ Bank Guarantee Value _____

Page - 2/4

5. NOW, THEREFORE, WE the Bank do hereby undertake to pay the Company an amount not exceeding Rs. _____ (Rupees _____ only) against any loss or damage caused to or suffered or would be caused to or suffered by the Company by reason of any breach by the said Contractor of any of the terms and conditions contained in the said Contract.

6. We, the Bank, do hereby undertake to pay the amount due and payable under this Guarantee without any demur, merely on a demand from the Company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Company by reason of breach by the said Contractor of any of the terms and conditions contained in the said Contract or by the reason of the said Contractor's failure to perform the said Contract. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, the Bank's liability under this Guarantee shall be restricted to an amount not exceeding Rs. _____ (Rupees _____ only).

7. The Bank's liability under this Guarantee is absolute and unequivocal and we, the Bank, undertake to pay unconditionally to the Company any money so demanded notwithstanding any dispute(s) raised by the Contractor in any suit, or proceedings pending before any Court or Tribunal or Arbitration or before any other authority and such payment under this guarantee shall not wait till the disputes, if any, have been decided by any Court or Tribunal or in the arbitration proceedings or by any other authority.

8. This Guarantee comes into force immediately and shall remain in full force and effect up to and including _____ (date) (including a claim period of 3 months after the date of completion of warranty period).

9. We, the Bank, further agree that, subject to Clause-8, the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and that it shall continue to be enforceable till all the dues of the Company under or by virtue of the said Contract have been fully paid and its claims satisfied or discharged or till the Purchase Department of the Company 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.

.....3

Sign & Seal of the Issuing Bank

Bank Guarantee No. _____ Date _____

Banker Name _____ Bank Guarantee Value _____

Page - 3/4

10. Unless a demand or claim under this Guarantee is made on the Bank in writing on or before the date specified under Clause-8 above, the Bank shall be discharged from the liability under this Guarantee thereafter. But where such claim or demand has been preferred by the Company with the Bank on or before the expiry of the said date, the claim shall be enforceable notwithstanding the fact that the said enforcement is effected after the said date.

11. For the purpose of Clause-10, any letter making claim or demand on the Bank by the Company lodged in person or dispatched by Registered Post or by Fax or by Telegram or by any Electronic media addressed to the above mentioned address of the Bank on or before the date specified under Clause-8 above, shall be deemed to be the claim/demand in writing referred to above irrespective of the fact as to whether and when the said communication reaches the Bank.

12. We, the Bank, further agree that the Company 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 Contract or to extend time of performance by 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 Company against the said Contractor and to forbear or enforce any of the terms and conditions relating to the said Contract and we shall not be relieved from our liability by virtue of any such variation or extension being granted to the said Contractor or for any forbearance, act or omission on the part of the Company or any indulgence by the Company to the said Contractor or by any such matter or thing whatsoever which under the law relating would, but for this provision, have effect of so relieving us.

13. This Guarantee shall not become void due to any change in the constitution of the said Bank or the said Contractor.

14. The Guarantee herein contained shall not be determined or affected by the liquidation or winding up or insolvency of or change in the constitution of the said Contractor, but shall in all respects and for all purpose be binding and operative until all payments of all moneys due or that may hereafter become due to the said Company are settled irrespective of any liability or obligation of the said Contractor under the said Contract.

15. It shall not be necessary for the said Company to proceed against the said Contractor before proceeding against the guarantor bank and the Guarantee herein contained shall be enforceable against the said Bank notwithstanding any security, which the said Company may have obtained or obtain from the said Contractor.

.....4

Sign & Seal of the Issuing Bank.

Bank Guarantee No. _____ Date _____

Banker Name _____ Bank Guarantee Value _____

Page - 4/4

16. Any claim or dispute arising under the terms of this document shall be subject to the jurisdiction of the Courts at Ranipet, Tamilnadu.

17. The said Bank declares that it has powers to issue this Guarantee under the Bank's Memorandum and Articles of Association and the undersigned has full powers to do so on its behalf under the powers granted to him by the proper authorities of the said Bank.

18. We, the Bank hereby undertake not to revoke this Guarantee during its currency except with the previous consent of the said Company in writing.

In witness whereof we _____ (name of the Bank) have hereunto setout Bank Seal the _____ day of _____ month _____ year.

SIGN & SEAL OF THE ISSUING BANK



BHEL BAP RANIPET

INSTRUCTIONS FOR BANK GUARANTEE

- 1.1 Bank Guarantee shall be issued by any one of BHEL's Bankers. Please refer to List of BHEL's Bankers enclosed.
- 1.2 If it is not possible, then BG can be issued by a Scheduled Commercial Bank with the prior approval of BHEL.
- 1.3 BG from Co-operative Banks is not acceptable.
- 2.1 Pre-printed BG Form of BHEL only shall be used.
- 2.2 Only the relevant information like Supplier Name, BG Value, Contract No., validity etc. shall be typed in the pre-printed form and executed by Bank.
- 2.3 Special adhesive stamp of the required value shall be affixed on the 1st Page of the Form.
- 2.4 If Special Adhesive Stamps are not available, then applicable stamp duty shall be paid at the Bank/Agency nominated by the concerned State Government to collect stamp duty, who will affix their signature, date and seal in the first page of the BG Form clearly marking it as "SPECIAL ADHESIVE" & "STAMP DUTY".
- 2.5 Stamp Duty for the BG shall be at the rate as applicable in the State where the BG is executed.
- 2.6 Bank Seal shall be affixed on the special adhesive stamp.
- 3.1 The executing officer of the Bank shall indicate his name, designation and power of attorney number/signing power number etc. on the BG.
- 3.2 Any correction/overwriting on the BG shall be duly authenticated under the Seal and signature of the executing officer of the Bank.
- 3.3 Each page of the BG shall be duly signed/initialed by the executing officer of the Bank and the last page is to be signed with full particulars under the seal of the Bank.
- 3.4 Fax number, e-mail Address, contact person, phone number and complete postal address shall be indicated in the covering letter of the BG from Bank.
- 4.1 The validity of the BG shall cover a period of 18 months (or such other period as per Purchase Order, if otherwise specified) from the last date of dispatch as per Purchase Order or actual date of last dispatch under the Purchase Order, whichever is later.
- 4.2 The BG shall have a claim period of 3 months. If no separate claim period is indicated in the BG, then the validity shall be 18 months (or such other period as per Purchase Order, if otherwise specified) plus 3 months.

- 5.1 No clause of the BHEL BG Form shall be altered, deleted or new clauses added by the Issuing Bank under any circumstances. Bank Guarantees with altered/deleted/added clauses will not be accepted by BHEL under any circumstances.
- 5.2 If the Issuing Bank wants to add any additional clauses, it shall be intimated to BHEL well in advance with exact text of the clause, which shall be subject to approval by BHEL Law Department. Those clauses specifically accepted by BHEL Law Dept. can be added in the last page of the BG Form and executed by Bank.
- 6.1 Bank Guarantee shall be forwarded by Issuing Bank directly to Accounts Officer/Stores Bills, BHEL/BAP, Ranipet-632406 .
- 6.2 If it is not directly forwarded to BHEL due to unavoidable circumstances, then the Issuing Bank shall send a letter directly to BHEL confirming the issue of the BG enclosing a photocopy of the Original BG.
- 6.3 The Bank Guarantee should not be routed through Bank along with other dispatch documents under any circumstances.
- 7.1 In case of any extension of a BG the same shall be executed on non-judicial stamp paper of the required value.
- 7.2 Only the due date and claim period shall be extended.
- 7.3 The extension should not result in alteration of any material facts of the BG.

Bank Guarantees executed as per the above instructions only shall be accepted at our end. Hence kindly ensure compliance with the above instructions for early processing of the bills and to avoid hold up of the bills.

Date : 10-11-2005.



LIST OF BANKERS FROM WHOM BANK GUARANTEE IS TO BE OBTAINED

SEHEDUED COMMERCIAL BANKS

1. STATE BANK OF INDIA
2. STATE BANK OF BIKANER AND JAIPUR
3. STATE BANK OF HYDERABAD
4. STATE BANK OF INDORE
5. STATE BANK OF MYSORE
6. STATE BANK OF PATIALA
7. STATE BANK OF SAURASHTRA
8. STATE BANK OF TRAVANCORE

NATIONALISED BANKS

9. ALLAHBAD BANK
10. ANDHRA BANK
11. BANK OF INDIA
12. BANK OF MAHARASHTRA
13. CANARA BANK
14. CENTRAL BANK OF INDIA
15. CORPORATION BANK
16. DENA BANK
17. INDIAN BANK
18. INDIAN OVERSEAS BANK
19. ORIENTEL BANK OF COMMERCE
20. PUNJAB NATIONAL BANK
21. PUNJAB & SIND BANK
22. SYNDICATE BANK
23. UNION BANK OF INDIA
24. UNITED BANK OF INDIA
25. UCO BANK OF INDIA
26. VIJAYA BANK
27. BANK OF BARODA
28. KOTAK MAHINDRA
29. HSBC BANK
30. AXIS BANK

SCHEDULED PRIVATE BANKS (INDIAN BANK)

- 31. ICICI BANK
- 32. HDFC BANK LTD
- 33. IDBI BANK

SCHEDULED PRIVATE BANK (FOREIGN BANK)

- 34. ABN AMRO BANK LTD
- 35. CITI BANK N.A.
- 36. DEUTSCHE BANK
- 37. STANDARD CHARTERED BANK
- 38. THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD

NATIONALIZED BANKS

- 9. ALL INDIA BANK
- 10. ANDHRA BANK
- 11. BANK OF INDIA
- 12. BANK OF MAHARASHTRA
- 13. CANARA BANK
- 14. CENTRAL BANK OF INDIA
- 15. CORPORATION BANK
- 16. DEVA BANK
- 17. GUJARAN BANK
- 18. INDIAN OVERSEAS BANK
- 19. ORIENTAL BANK OF COMMERCE
- 20. PUNJAB NATIONAL BANK
- 21. PUNJAB & SIND BANK
- 22. UNITED BANK
- 23. UNION BANK OF INDIA
- 24. UTTAR BANK OF INDIA
- 25. WEST BENGAL BANK OF INDIA
- 26. YASKA BANK
- 27. BANK OF BARODA
- 28. KOTAK MAHINDRA
- 29. HSBC BANK
- 30. AXIS BANK

(TO BE STAMPED IN ACCORDANCE WITH STAMP ACT AND THE EXPIRY DATE OF BG MUST BE AFTER 3 MONTHS FROM THE DATE OF COMPLETION OF SUPPLIES)

CONTRACT EXECUTION BANK GUARANTEE

In accordance of M/s. Bharat Heavy Electricals Limited (A Government of India undertaking, a company incorporated under the Companies Act 1956 having its Registered Office at "BHEL House", SIRI Fort, New Delhi 110 049) through its Boiler Auxiliaries Plant located at Ranipet – 632 406, (hereinafter called 'the Company') having entered into a contract with M/s.....
..... hereinafter called 'the said contractor' which term includes 'suppliers' for the purpose of this Bond and under the terms and conditions of the Contract No.....Dt.....between BHEL, Ranipet and as per the Contract, the Contractor / Supplier is to furnish a Contract Execution Bank Guarantee for Rs.....in words.....
.....for the due performance of the contract and for the fulfillment of all the terms and conditions of the contract.

Sign and seal of issuing bank
Please affix Non Judicial Stamp
here, as per Stamp Act

Bank Guarantee No.....Date.....Banker Name.....
Bank Guarantee Value Rs.....

1. We.....
.....
.....(Bank's name, Branch, Place – address to be mentioned [herein after referred to as the Bank) at the request of.....
.....(Contractor(s)] do hereby undertake to pay the company an amount not exceeding Rs.....in words
.....
.....against any loss or damage caused to or suffered or would be caused to or suffered by the company by reason of any breach by the said Contractor(s) of any of the terms and conditions contained in the said agreement.

2. We.....
.....
.....(name of the bank with full address), do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Company by reason of breach by the said Contractor(s) of any of the terms and conditions contained in the said Agreement or by the 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.....in words.....

Sign and seal of issuing bank

Bank Guarantee No.....Date.....Banker Name.....
Bank Guarantee Value Rs.....

3. We undertake to pay conditionally to the Company any money so demanded notwithstanding any dispute(s) raised by the Contractor in any suit, or proceedings pending before any Court or Tribunal or Arbitration or before any other authority relating thereto our liability under this present being absolute and unequivocal. The payment under this guarantee would not wait till the disputes have been decided by any Court or Tribunal or in the arbitration proceedings or by any other authority. The payment so made by us under this Bond shall be a valid discharge of liability for payment thereunder and the Contractor(s) shall have no claim against us for making such payment.

4. We.....(name 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 Company under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till Purchase Department of the Company 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. (i) Unless a demand or claim under this guarantee is made on us in writing on or before(date) (After 3 months from the date of completion of supplies) we shall be discharged from all the liability under this guarantee thereafter. But where such claim or demand has been preferred by the Company with the Bank before the expiry of the said date, the claim shall be enforceable notwithstanding the fact that the said enforcement is effected after the said date. (ii) For the purpose of this clause, any letter making demand on the Bank by M/s. BHEL dispatched by Registered Post with Ack. Due or by Telegram or by any Electronic media addressed to the above mentioned address of the Bank shall be deemed to be the claim / demand in writing referred to above irrespective of the fact as to whether and when the said letter reaches the Bank, as also any letter containing the said demand or claim is lodged with the Bank personally.

Sign and seal of issuing bank

Bank Guarantee No.....Date.....Banker Name.....
Bank Guarantee Value Rs.....

6. We.....(name of the Bank), further agree with the company that the Company 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 Company 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 any 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 company or any indulgence by the company to the said Contractor(s) or by any such matter or thing whatsoever which under the law relating would, but for this provision, have effect of not so relieving us.

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

8. The guarantee herein contained shall not be determined or affected by the liquidation or winding up or insolvency of or change in the constitution of the Contractor, but shall in all respects and for all purpose be binding and operative until all payments of all moneys due or that may hereafter become due to the said company or settled irrespective of any liability or obligation of the Contractor under the said Contract.

9. It shall not be necessary for the company to proceed against the Contractor before proceeding against the guarantor-bank and the guarantee herein contained shall be enforceable against them notwithstanding any security, which the company may have obtained from the Contractor shall, at the time when proceedings are taken against the Guarantor hereunder be outstanding or unrealized.

10. Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Ranipet, Tamilnadu Jurisdiction.

11. The Bank declares that it has powers to issue this Guarantee under the Bank's Memorandum and Articles of Association and the undersigned has full powers to do so on its behalf under the power granted to him by the proper authorities of the Bank.

12. We(name of Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the company in writing.

In witness whereof we.....
(name of Bank) have hereunto setout Bank Seal the.....
day of.....month 2015.

Sign and seal of issuing bank.