

88

Proforma of Bank guarantee for advance payments
On Non judicial stamp paper of Rs 40/-

In consideration of the ORISSA STATE CO-OP. MILK PRODUCERS' FEDN. LTD.
(hereinafter called "the OMFED") having regard to grant advance of
Rs. _____
(Rupees _____) to M/s

Having _____ their _____ office _____ at

Hereinafter called "the said contractor") under the terms and conditions of the
purchase Order No. _____ Dated _____ made between the OMFED and
M/S.

_____ for supply, installation, commissioning, trial-running and guaranteeing
of _____

(Hereinafter called the "the order") on production of bank guarantee for
Rs. _____
(Rupees _____ only), We (the bank) do hereby undertake to pay the
OMFED _____ an _____ amount _____ not _____ exceeding
Rs. _____ (Rupees _____ only)
against any loss/damage caused to or suffered by the OMFED by reason of any
breach by the said contractor of any of the conditions contained in the order.

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

We, _____ (the 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 order and that it shall be continue to be enforceable
till all the dues of the OMFED, under, or by virtue of the said order have been fully
paid and it's claims satisfied or discharged or till OMFED certifies that the terms and
conditions of the said order have been fully and properly carried by the said
contractor and accordingly discharge the guarantee and unless a demand or a
claim under this guarantee is made on us in writing on or before _____,
we shall be discharged from all liabilities under this guarantee thereafter.

25

We, _____ (the Bank), further agree with the OMFED that the OMFED shall have the fullest liberty without our consent and without affecting in any manner our obligation hereunder to vary in any of the terms and conditions of the said order, to extend the 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 power exercisable by the OMFED against the said Contractor and to forbear or enforce any of the terms and conditions relating to the said order and we shall not be relieved from our liability by reason of any such variation, or extension or for any forbearance, act of omission on the part of the OMFED or any indulgence by the OMFED to the said Contractor or any such matter or thing whatsoever Which under the law relating to the sureties would but for this provision have effect of so relieving us.

We, _____ (the bank), lastly undertake not to revoke this guarantee during its currency except with the previous consent of the OMFED in writing.

Notwithstanding anything stated herein above the liability of the bank Guarantee is restricted to Rs. _____ (Rupees _____ Only). The guarantee shall remain in force till the _____ and unless the guarantee is renewed or a claim is preferred against the bank within three months from the said date all rights of the OMFED under the guarantee shall cease and the bank shall cease and the bank shall be released and discharged from the liabilities hereunder.

Place

Signature

Date

Seal

Code no.

Note

Note: Contractor should ensure that seal and code no. of the signatory is put by the bankers, before the submission of the bank guarantees.

144

Proforma of bank guarantee for Performance security On Non-judicial Stamp Paper of Rs.60/-

Bank Guarantee No. _____

Date: _____

This deed of guarantee made this _____ day of 20 _____ (Two thousand and _____) by (Name and address of the bank) hereinafter referred to as the bank, which shall unless repugnant to the context or the meaning thereof includes its legal representatives, successors and assigns and the ORISSA STATE CO-OPERATIVE MILK PRODUCERS' FEDERATION LTD. (hereinafter referred to as the OMFED) which expression shall unless repugnant to the context or meaning thereof includes its legal representatives, successors and assigns .

Whereas the ORISSA STATE MILK CO-OPERATIVE PRODUCERS' FEDERATION LTD. _____ has awarded a contract bearing No. _____ on _____ (Name and M/s _____ the address of the party) hereinafter referred to as the Contractor, for the supply installation, commissioning, completion and the guaranteeing of _____

And whereas the Contractor has agreed to submit a performance security in the form of bank guarantee to the OMFED as per the terms and conditions of the bidding documents. And the contract which will be kept valid upto _____ calendar months from the date of bank guarantees (the period should be till end of period of maintenance) and whereas the bank and its duly constituted agent and officer has already read and understood the contract between the OMFED and the Contractor.

In consideration of the OMFED having agreed to award the contract on the Contractor, we _____ (the bank) do hereby guarantee, undertake, promise and agree with the OMFED , its legal representatives, successors, and assigns that the within named (the name of the Contractor) their legal representatives , assignees will faithfully perform and fulfill everything within the bidding document and the contract order on their part to be performed or fulfilled, at the time (time being the essence of the contract) and in manner therein provided , do all obligations there under and we further undertake and guarantee to make the payment to the OMFED a sum of Rs _____ (Rupees _____ only). Being 10% of the contract value , in case the Contractor , their legal representatives, assignees do not faithfully perform and fulfill everything within the bidding document and the contract order on their part to be performed or fulfilled, at the time and in manner therein provided and do not willfully and promptly do all obligations there under. In case the Contractor fails to perform or fulfill the contract as per the terms and conditions

✓ 83

agreed upon, the OMFED is entitled to demand an amount equivalent to 10% of the contract value from the Contractor and the demand made by the OMFED itself will be conclusive evidence and proof that the Contractor has failed to perform or fulfill his obligations under the contract and neither the Contractor nor the bank shall be entitled to raise any dispute regarding the reasons for the failure of performance or fulfillment on any ground whatsoever.

We, (the name of the bank), do hereby undertake to pay an amount equivalent to 10% of the contract value, being the amount due and payable under this guarantee. Without any demur, merely on a demand from OMFED stating that the amount claimed is due by way of Non-performance of the contractual obligations as aforesaid by the contractor or by the reason of the contractor's failure to perform the said contractual commitments, any such demand made on the banks 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. _____ (Rupees _____ only being the amount equal to 10% of the contract value.

We, the bank further agree that the performance security herein contained shall remain in full force and effect for a period of _____ calendar months from the date of the bank guarantee. (the period shall be till the end of period of maintenance) whichever is later or till the OMFED certifies that the terms and conditions of the said contract have been fully and properly carried out by the said Contractor and accordingly discharge the guarantee, unless a demand or a claim under this guarantee is made on us in writing by the OMFED on or before _____ (the date shall be 90 days after the end of the period of maintenance) we shall be discharged from all liabilities under this performance security hereafter.

We, the bank, further agree with the OMFED that the OMFED 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 bidding document and the contract or to extend the time of performance by the said Contractor from time to time and any of the power exercisable by the OMFED against the Contractor and forbear or enforce any of the terms and conditions relating to the said bidding document and the contract and we shall not be relieved from or liability by reason of any such variation, or extension being granted to the said contractor or for any forbearance, act or omission on the part of the OMFED to the said Contractor by any such matter or thing whatsoever which under the law relating to the sureties would but for this provision have effect of so relieving us. This guarantee shall be in addition to and without prejudice to any other securities or remedies which the OMFED may have or hereafter possess in respect of the works executed or intended to be executed and the OMFED shall be under no obligation to marshal in favour of the bank any such securities or funds or asset that the OMFED may be

✓ 82

entitled to receive or have a claim upon and the OMFED at its absolute discretion may vary, exchange, renew, modify or refuse to complete or enforce or assign any security or instrument.

The bank agrees that the amount hereby guaranteed shall be due and payable to the OMFED on serving us with a notice, requiring the payment of the amount and such notice shall be deemed to have been served on the bank either by actual delivery thereof to the bank or by dispatch thereof to the bank by registered post at the address of the bank.

Any notice sent to the bank at its address by registered post shall be deemed to have been duly served on the bank notwithstanding that the notice may not in fact have been delivered to the bank.

In order to give full effects to the provisions of this guarantee the bank hereby waives all rights inconsistent with the above Rs. _____ (Rupees _____ Only). The guarantee shall remain in force until _____ and unless the guarantee is renewed or a claim is preferred against the bank within three months from the said date (the date of expiry) all rights of the OMFED under the guarantee shall cease and the bank shall be released and discharged from all liabilities hereunder.

Place

Signature

Date

Seal

Code no.

Note:

The Contractor should ensure that seal and the code no. of the signatory is put by the bankers, before submission of the bank guarantees.