

SECTION XV: Model Form of Bank Guarantee Bond for Performance Security

1. In consideration of BHARATIYA RESERVE BANK NOTE MUDRAN PRIVATE LIMITED (hereinafter called 'BRBNMPL') having agreed to exempt [hereinafter called 'the said Contractor(s)'] from the demand, under the terms and conditions of an Agreement dated _____ made between and _____ for _____ (hereinafter called 'the said Agreement'), of security deposit for the due fulfilment by the said Contractor(s) of the terms and conditions contained in the said Agreement, on production of a bank Guarantee for ₹ _____ (Rupees _____ Only), we, _____, (indicate the name of the bank) (hereinafter referred to as 'the Bank') at the request of _____ [contractor(s)] do hereby undertake to pay to BRBNMPL an amount not exceeding ₹ _____ against any loss or damage caused to or suffered or would be caused to or suffered by BRBNMPL by reason of any breach by the said Contractor(s) of any of the terms or conditions contained in the said Agreement.

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

3. We undertake to pay to BRBNMPL any money so demanded notwithstanding any dispute or disputes raised by the contractor(s)/supplier(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 thereunder and the contractor(s)/supplier(s) shall have no claim against us for making such payment.

4. We, _____, (indicate the 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 BRBNMPL under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till BRBNMPL 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. Unless a demand or claim under this guarantee is made on us in writing on or before the _____ we shall be discharged from all liability under this guarantee thereafter.

5. We, _____, (indicate the name of bank) further agree with BRBNMPL that BRBNMPL 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 BRBNMPL 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 BRBNMPL or any indulgence by BRBNMPL 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)/Supplier(s).

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

Banks may insert the following “Notwithstanding” Clause as per the standard format given below:

8. Notwithstanding anything contained herein:

a) Our liability under this bank guarantee shall not exceed ₹ _____ (Rupees _____ Only);

b) This bank guarantee shall be valid up to _____ ; (being the date of expiry of the guarantee)

c) The Beneficiary’s right as well as the Bank’s liability under this guarantee shall stand extinguished unless a written claim or demand is made under this guarantee on or before _____ (being the date of expiry of claim period which in no case should be less than 1 year from the date of expiry of validity period of BG as per clause (b) above);

d) This Bank Guarantee must be returned to the bank upon expiry of claim period. If the Bank Guarantee in original is not received by the bank after expiry of claim period, subject to the terms and conditions contained herein, it shall be deemed to be automatically cancelled.

9. Dated the _____ day of _____ (month) _____ (year)

For _____ (indicate the name of the Bank)

Bank Guarantees issued through SFMS platform:

BG can also be issued through IFN 760 COV Bank Guarantee Advice Message / IFN 767 COV Bank Guarantee Amendment Message to Advising Bank Branch (Beneficiary’s Bank Branch) through SFMS platform

1. In that case, the BG issued by the issuing bank on behalf of Bidder / Supplier / Contractor in favour of “Bharatiya Reserve Bank Note Mudran Private Limited” shall be in paper form and also shall be made available under the “Structured Financial Messaging System” (SFMS). (Ref: GoI, MoF letter F.No.7/112/2011-BOA dated 07.07.2012)

2. The Bidder / Supplier / Contractor shall ensure issuance of IFN 760 COV BG Advising Message by the issuing bank through SFMS platform in order to make the paper Bank Guarantee operative.

3. The issuing bank shall directly send the reference number of SFMS transmission message to BRBNMPL through Speed Post / Courier.

4. The details of beneficiary for issue of BG under SFMS platform is furnished below:

Name and address of Beneficiary	:	Bharatiya Reserve Bank Note Mudran Private Limited [Address to be filled by BRBNMPL]
Beneficiary Bank, Branch and Address	:	[To be filled by BRBNMPL]
IFSC Code	:	[To be filled by BRBNMPL]
SWIFT Code	:	[To be filled by BRBNMPL]
MICR Code	:	[To be filled by BRBNMPL]

5. The Bank Guarantee submitted shall also be subject to verification from the issuing bank, hence the email ID of bank must be incorporated in the BG.