

FORM OF BANK GUARANTEE FOR PERFORMANCE SECURITY

To

The Chairman,
National Highways Authority of India
G- 5 & 6, Sector 10, Dwarka
New Delhi 110075

WHEREAS _____ (name and address of contractor) hereinafter called "the contractor" has undertaken, in pursuance of Letter of Acceptance No. _____. Dated _____ .. to execute _____ .. (name of Contract and brief description of Works) (hereinafter called "the contract").

AND WHEREAS it has been stipulated by you in the said contract that the Contractor shall furnish you with a Bank Guarantee for the sum specified therein as security for compliance with his obligations in accordance with the Contract;

AND WHEREAS _____ (Name and address of bank) _____ . we have agreed to give the Contractor such a Bank Guarantee:

NOW THEREOF we hereby affirm that we are the guarantor and responsible to you on behalf of the Contractor, up to a total of Rs _____ (amount of guarantee) (Rupees _____ . (in words), , and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of _____ .. (amount of guarantee) as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the contract or of the works to be performed there under or of any of the contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid until 90 days from the date of expiry of the Contract Agreement.

Notwithstanding anything contained herein before, our liability under this guarantee is restricted to Rs. _____ (Rs. _____ in words) and the guarantee shall remain valid till _____. Unless a claim or a demand in writing is served upon us on or before _____ all our liability under this guarantee shall cease.

