

PROFORMA OF BANK GUARANTEE FOR PERFORMANCE GUARANTEE BOND

1. We _____ (hereinafter referred to as the Bank) at the request of _____ and address _____ hereinafter called the Contractor do hereby undertake to pay to Indian Association for the Cultivation of Science (hereinafter called the Employer) an amount not exceeding Rs. _____ (Rupees _____) only for any breach in..... (Name of work) as per the agreement to be executed between the Employer and the Contractor.
2. We _____ (indicate name of Bank) do hereby undertake to pay the amount payable under this Guarantee without any demur, merely on a demand from the Employer stating that the amount claimed is due by way of loss or damage caused to or would do caused to or suffered by the Employer by reason of breach by the said contractor(s) of any of the terms and conditions contained in the said Agreement relating to (Name of work). 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. _____ (Rupees _____) only.
3. We undertake to pay to the Employer any money so demanded notwithstanding any dispute or disputes raised by the Contractor(s)/ Supplier(s) in any suit or proceedings 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 as valid discharge of our liability for payment there under the contractor(s)/ suppliers shall have no claim against us for making such payment.
4. We, _____ further agree that the (indicate the name of the Bank) 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 Employer only relating to the work of(Name of Work) tender/offer under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged.

Unless a demand or claim under this guarantee is made on us in writing on or before _____, we shall be discharged from all liability under this guarantee thereafter.

5. We _____ (indicate the name of Bank) further agree with the Employer that the Employer 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 Employer 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 reasons 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 Employer or any indulgence by the Employer 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 or 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 _____ (Name of the Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Employer in writing.