



BANK GUARANTEE BOND IN LIEU OF SECURITY DEPOSIT

(To be executed by the State Bank of India or any other scheduled Bank recommended by Reserve Bank of India on non-judicial stamp paper)

To

The Vice Chancellor
Defence Institute of Advanced Technology,
(Deemed University)
Girinagar,
PUNE – 411 025

Dear Sir

Sub: Your Contract No. _____ dated ____
for _____

1. You, Vice Chancellor, DIAT (DU), Pune-25, have entered into a contract with reference no as given above with _____ (herein after referred to as the contractor) for the purchase, development, fabrication and supply of _____ (herein after referred to as stores) for the price and on the terms and conditions contained in the said contract.
2. In accordance with the terms of said contract you have agreed to exempt the security deposit for the due fulfillment by the said contractor of the terms and conditions contained in the said contract, on production of a bank guarantee for Rs. _____ (Rupees _____ only) being _____ % of the total value (Rs _____) of the said stores to be supplied to you
3. In consideration thereof, we hereby at the request of the contractor, expressly, irrevocably and unconditionally undertake and guarantee to pay on written demand, without demur and without reference to the contractor, an amount not exceeding Rs _____ (Rupees _____ only) against any loss or damage caused to or suffered or would be caused to you by reason of any breach by the said contractor of any of the terms and conditions contained in the said contract or by reason of the contractor's failure to perform the said agreement. Your demand shall be conclusive evidence to us as regards the amount due and payable by the Bank under this guarantee. However, liability under this guarantee shall be restricted to an amount not exceeding Rs. _____. Payment by us to you will be made within thirty (30) days from receipt of your written request making reference to this guarantee and on demand.



4. We 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 contract and that it shall continue to be enforceable till all your dues under or by virtue of the said contract have been fully paid and its claims satisfied or discharged or till you certify that the terms and conditions of the said contract have been fully and properly carried out by the said contractor and accordingly discharges the guarantee. Notwithstanding anything herein contained, our liability under this guarantee is restricted to Rs_____ (Rupees _____ only) and the guarantee shall remain in force up to and including the _____ day of being reported to us by you and returned to us duly discharged.

5. This guarantee shall not be revoked without your express consent and shall not be affected by your granting any indulgence to the contractor, which shall include but not be limited to postponement from time to time of the exercise of any powers vested in you or any right which you may have against the contractor and to exercise the same in any manner at any time and either to forbear or to enforce any covenant contained or implied in the said contract or any other course or remedy or security available to you, and our Bank shall not be released from its obligations under this guarantee by your exercising any of your rights with reference to matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on your part or any other indulgence shown by you or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving our Bank from its obligation under this guarantee.

6. Unless a demand or claim under this guarantee is made on us in writing on or before the aforesaid expiry date as provided above or unless this guarantee is extended by us all your rights under this guarantee shall be proscribed and we shall be discharge from the liabilities hereunder

7. This guarantee shall not be affected by any change in the constitution of our Bank or of the contractor or for any other reason whatsoever.

Date:
Sd.....

Place:

Bankers
Seal of the Bank

Witness:
1.
2.