

**PERFORMANCE SECURITY**  
(PROFORMA OF BANK GUARANTEE)

THIS DEED OF GUARANTEE executed on this the \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ by \_\_\_\_\_ (Name of the Bank) having its Head / Registered office at \_\_\_\_\_ hereinafter referred to as "the Guarantor" which expression shall unless it be repugnant to the subject or context thereof include successors and assigns;

In favour of

**Karnataka Renewable Energy Development Limited**, a Company incorporated under the Indian Companies Act, 1956 having its registered office at #39, Shanthi gruha, Bharat Scouts & Guides Building, Palace Road, Bengaluru (hereinafter referred to as "**KREDL**", which expression shall, unless it be repugnant to the context or meaning thereof, include it's administrators, successors, and assigns);

WHEREAS

- A. By the Government Order .....(fill the GO number) issued to M/s/Sri/ Smt...../ \_\_\_\_\_ company incorporated under the provisions of the Companies Act, 1956/, having its registered office/ permanent address at \_\_\_\_\_(hereinafter referred as "Developer"), has been granted the right to development of [Solar PV Power Plant] an hereinafter referred to as the Project.
- B. In terms of GO, the Developer is required to furnish to KREDL , an unconditional and irrevocable bank guarantee for an amount of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) as security for due and punctual performance/discharge of its obligations under the Government order.

At the request of the Developer, the Guarantor has agreed to provide guarantee, being these presents guaranteeing the due and punctual performance/discharge by the Company of its obligations under the Agreement relating to the Project.

**NOW THEREFORE THIS DEED WITNESSETH AS FOLLOWS:**

Capitalised terms used herein but not defined shall have the meaning assigned to them respectively in the relavant regulations with respect to projects under IPP / captive generation / RECM issued by KERC from time to time and Solar policy of Karnataka 2014-21.

1. The Guarantor as primary obligator shall, without demur, pay to KREDL sums not exceeding in aggregate Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only), within one working day of receipt of a written demand thereof from KREDL stating that the Developer has failed to meet its performance obligations as specified in GO and Solar policy 2014-21. The Guarantor shall not go into the veracity of any breach or failure on the part of the Developer or validity of demand so made by KREDL and shall pay the amount specified in the demand notwithstanding any direction to the contrary given or any dispute

whatsoever raised by the Developer or any other Person. The Guarantor's obligations hereunder shall subsist until all such demands are duly met and discharged in accordance with the provisions hereof.

In order to give effect to this Guarantee, KREDL shall be entitled to treat the Guarantor as the principal debtor. The obligations of the Guarantor shall not be affected by any variations in the terms and conditions of the GO and Solar policy 2014-21 or other documents or by the extension of time for performance granted to the Company or postponement/non exercise/ delayed exercise of any of its rights by KREDL or any indulgence shown by KREDL to the Developer and the Guarantor shall not be relieved from its obligations under this Guarantee on account of any such variation, extension, postponement, non exercise, delayed exercise of any of its rights by KREDL or any indulgence shown by KREDL provided nothing contained herein shall enlarge the Guarantor's obligation hereunder.

2. This Guarantee shall be irrevocable and shall remain in full force and effect for a period of 18 months from ..... (date of intimation) unless discharged /released earlier by KREDL in accordance with the provisions of the solar policy. The Guarantor's liability in aggregate be limited to a sum of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only).
3. This Guarantee shall not be affected by any change in the constitution or winding up of the Developer/the Guarantor or any absorption, merger or amalgamation of the Developer/the Guarantor with any other Person.

The Guarantor has power to issue this guarantee and discharge the obligations contemplated herein, and the undersigned is duly authorised to execute this Guarantee pursuant to the power granted.

**IN WITNESS WHEREOF THE GUARANTOR HAS SET ITS HANDS HEREUNTO ON THE DAY, MONTH AND YEAR FIRST HEREINABOVE WRITTEN.**

**SIGNED AND DELIVERED**

by \_\_\_\_\_ Bank  
by the hand of Shri \_\_\_\_\_ its \_\_\_\_\_ and  
authorised official.