

**PROFORMA OF BANK GUARANTEE FOR LIFTING OF DEFECTIVE  
MATERIAL BY SUPPLIER**

(To be submitted on Non-judicial stamp paper of value of Indian Rupees one hundred drawn on the name of the issuing Bank)

**TO BE ESTABLISHED THROUGH ANY OF THE SCHEDULED BANKS (WHETHER SITUATED AT VISAKHAPATNAM OR OUTSTATION) WITH A CLAUSE TO ENFORCE THE SAME AT A BRANCH OF THE BANK SITUATED AT VISAKHAPATNAM. BONDS ISSUED BY CO-OPERATIVE BANKS ARE NOT ACCEPTED.**

To  
Rashtriya Ispat Nigam Limited,  
Visakhapatnam Steel Plant,  
Main Administrative Building,  
Visakhapatnam-530 031.

Bank Guarantee No.  
Bank Guarantee Amount:  
Date of Issue:  
Date of Expiry:

Dear Sirs,

1. In consideration of M/s.Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, a Company incorporated under Companies Act 1956, (hereinafter called the Purchaser) having agreed to permit M/s.....(hereinafter called the Supplier) to remove/lift..... (brief description of the material, catalogue number, and quantity) from RINL, Visakhapatnam Steel Plant, Visakhapatnam, premises for the purpose of rectifying the same as per the orders issued by VSP on each occasion in terms of A/T No.....dated..... (hereinafter called the said A/T) on submission of Bank Guarantee for a sum of Rs..... (Rupees.....) and on other terms and conditions therein.
2. We, ..... (name of the bank and address) do hereby undertake to pay to the Purchaser an amount not exceeding Rs..... on a mere demand made by the Purchaser and this guarantee shall be enforceable at Visakhapatnam.
3. We,.....(name of the bank and address) undertake to guarantee the Purchaser to the extent of Rs..... against any loss or damage of any nature that may be caused or suffered by the Purchaser either presently or in future due to any breach of any of the terms and conditions of the said A/T or in the performance thereof by the Supplier or as to the amount of loss or damage that has been caused to or suffered by the Purchaser and any decision in this regard by the Purchaser shall be final and binding on us and the amount claimed by the Purchaser shall be paid on demand without any protest or demur.

4. We, .....(name of the bank and address) further agree that the Guarantee herein contained shall remain in full force and effect until.....day of .....month .....year that would be taken for rectification and fulfillment in all respects of the said order.
5. We, .....(name of the bank and address) state that by virtue of this Guarantee, on or before the dates referred to hereinabove the same shall be enforceable against us and further state that notwithstanding the above dates the same can be enforced after the dates referred to hereinabove, provided that notice of any such claim has been given by Purchaser before the dates referred to hereinabove as the case may be and the payment shall be made promptly upon receiving the notice to that effect from the Purchaser without protest or demur.
6. It is fully understood that this Guarantee shall become effective from the date of issue of Bank Guarantee i.e..... (date) and we, ..... (name of the bank and address) undertake not to revoke this Guarantee during its currency without the prior written consent of the Purchaser.
7. We, .....(name of the bank and address) hereby further agree that the Purchaser shall have the fullest liberty without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said A/T or to extend the time of performance of the said A/T by the Supplier from time to time or any of the powers exercisable by the Purchaser against the Supplier and to forbear or to enforce any of the terms and conditions relating to the said A/T and we, .....(name of the bank and address) shall not be released from our liability under this Guarantee by reason of any such variation or extension being granted to Supplier or any forbearance and/or omission on the part of the Purchaser or any indulgence by the Purchaser or by any other matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so releasing us from our liability under this Guarantee.
8. We, .....(name of the bank and address) hereby further agree that the Guarantee herein contained shall not be effected by any change in the constitution of the Supplier and/or the Purchaser.

We, .....(name of the bank and address) hereby further agree that the claims if any against this Bank Guarantee shall be enforceable at our branch office at Visakhapatnam situated at ..... (address of branch of Bank)

Dated the ..... day of .....Two thousand and

For and on behalf of  
(name of the bank and address)

Signature:

Name: