

“BENEFICIARY’S COPY”

To

The President of India  
Through the Assistant Commissioner/Deputy Commissioner of Customs,  
Cochin Special Economic Zone,  
Kakkanad, Cochin - 30.

Dear Sirs,

Guarantee No.: ..... Dated .....

Amount of Guarantee: Rs.

Guarantee cover from .....to .....

Last date of lodgment of claim : .....

This deed of guarantee executed this the .....day of ....., 1999 by the .....  
(Bank’s name) ..... constituted under ..... [Subsidiary Banks Act, 1959 etc.,  
which is applicable] carrying on the business of banking and having its Head Office at  
..... (full address) and amongst other places a branch at ....., Ernakulam  
(hereinafter referred to as “the Bank”) in favour of the President of India (hereinafter referred  
to as “the Beneficiary”) for an amount not exceeding Rs. ....(Rupees .....only) at the  
request of ..... (full address of the company) (hereinafter referred to as “the Contractor”).

This Guarantee is issued to the condition that the liability of the Bank under this  
Guarantee is limited to a maximum of Rs. .... (Rupees .....only) and  
the Guarantee shall remain in full force upto .....(date of expiry) and cannot be  
invoked otherwise than by a written demand or claim under this Guarantee served on the Bank  
on or before the .....(last date of claim).

Sd/-  
Bank

## GUARNATEE BOND

1. In consideration of the President of India (hereinafter called "the Government") having agreed to exempt M/s. .... (Name of the company) having its registered office at .....(full address) (hereinafter called "the said manufacturer") from the duty of Customs / Central Excise in terms of conditions of the Single Bond (B-17 Bond) notified vide Notification No.6/98-CE (NT) dated 2-3-98 (hereinafter called "the Agreement") executed with the President of India through the Assistant Commissioner/Deputy Commissioner of Customs/Central Excise, Cochin Export Processing Zone, Cochin - 30, with security deposit for the due fulfillment, by the said manufacturer, of the terms and conditions contained in the said Agreement on production of Bank Guarantee for Rs..... (Guarantee amount) (Rupees .....only). ..... (Name of bank) do hereby undertake to pay the Government an amount not exceeding Rs..... against any loss or damage caused to or suffered or would be caused to or suffered or would be caused to or suffered by the Government by reason of any breach by the said manufacturer of any of the terms and conditions contained in the said Agreement.

2. We, .....(Name of bank) do hereby undertake to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from the Government stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Government by reason of any breach by the said manufacturer of any of the terms or conditions contained in the said Agreement or by reason of the manufacturer's failure to perform the said Agreement. 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 any amount not exceeding Rs.....(Guarantee amount).

3. We, .....(name of bank) further agree that the Guarantee herein contained shall remain in full force until all conditions of the Agreement between the Government of India and the said M/s. ....(name of the company) are fulfilled and it shall continue to be enforceable till all the dues of the Government by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till the Government of India certified that the terms and conditions of the said Agreement have been fully and properly carried out by the said M/s.....(name of the company) and accordingly discharges the Guarantee. We shall make the said payment to the Government on demand without demur notwithstanding that M/s.....(name of the company) are not called upon in the first instance to pay the Government the said amount under the Agreement.

4. We, .....(name of bank) further agree with the Government that the Government shall have the fullest liberty without or 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 the time of performance by the said M/s. ....(name of the company) 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 reason of any such variation or extension being granted to the said or for any forbearance act or omission on the part of the Government or any indulgence by the Government to the said M/s..... (name of the company) or by any such matter or thing whatsoever this provision have effect of so relieving us.

5. We, .....(Name of bank) hereby further covenant and declare that this Guarantee shall remain in force for .....(period of validity in months/year(s)) and if the Agreement is not fully discharged within the aforesaid period the said Bank undertakes to renew this Guarantee from time to time on its own till discharge of the said Agreement and six months thereafter.

6. We also further covenant and declare that if the said M/s.....(name of the company) do not obtain and furnish renewal of this guarantee from time to time for a further period of time to the Government of India not less than 30 (Thirty) days prior to the expiry of this guarantee or the renewal of the said guarantee so as to keep the same valid and subsisting till the disposal of the above Agreement and for six months thereafter then the entire amount remaining due shall become forthwith due and payable and the Bank of its own shall pay to the Government of India notwithstanding :

- (1) that the period of the Guarantee renewal; or
- (2) the period of the Guarantee to the renewal or renewal thereof, has already expired;  
or
- (3) that the above Agreement is still pending.

7. It is further declared that this is an unconditional guarantee and in the event of vacation of Agreement or in the event of the decision adverse to the said M/s.....(Name of the company) being given by the Government of India or discharge of the Agreement whichever is earlier would make the said payment to the Government of India on demand without demur notwithstanding that the said M/s. .... (Name of the company) are not called upon in the first instance to pay to the Government of India the said amount before calling upon us, the Bank to pay the said amount under this Guarantee.

Sd/  
Bank

Witnesses :-

1.

2.