

**FORM OF BANK GUARANTEE
SECURITY TOWARDS SAFE CUSTODY OF OLD DAMAGED/BURNT COPPER COILS**

DATED:

WHEREAS the Pashchimanchal Vidyut Vitran Nigam Limited, Meerut (hereinafter called the PVVNL) has placed on M/s(a sole proprietorship/partnership/ company registered under the India Company Act having its office at (hereinafter called the contractor) an order For Processing & Conversion of old damaged/burnt copper coils into ETP grade (IS-191 part Vth 1980/any latest amendment) DPC Copper winding wire and DPC Copper strips as per required sizes against specification no. AND WHEREAS pending execution of a formal contract agreement between parties, the PVVNL have agreed to deliver to the contractor, old damaged/burnt copper coils at his work through their representatives.

AND WHEREAS the contractor has agreed to deliver back the said old damaged/burnt copper coils after Processing & Conversion into ETP grade (IS-191 part Vth 1980/any latest amendment) DPC Copper winding wire and DPC Copper strips as per required sizes to the representative of the PVVNL at his works after satisfactory Processing & Conversion and testing.

AND WHEREAS for due and faithful performance of the contract, safe-custody of the said old damaged/burnt copper coils at his works.

AND WHEREAS the(Name of Bank) hereinafter called the (Guarantor) has at the request of the contractor agreed to give this guarantee for the said purpose as is hereinafter contained.

Now this deed witnesses as follow:

1. In consideration of the PVVNL agreed to deliver the old damaged/burnt copper coils to the Contractor for necessary Processing & Conversion into ETP grade (IS-191 part Vth 1980/any latest amendment) DPC Copper winding wire and DPC Copper strips as per required sizes and testing of aforesaid the guarantor hereby undertake that:

- (a) If the, PVVNL shall suffer any loss or damage or deterioration to the said old damaged/burnt copper coils till they are delivered back to the PVVNL or his representatives after necessary Processing & Conversion into ETP grade (IS-191 part Vth 1980/any latest amendment) DPC Copper winding wire and DPC Copper strips as per required sizes and testing to the entire satisfaction of the PVVNL.
- (b) If the contractors shall use the old damaged/burnt copper coils for any purpose other than as required by the PVVNL.

OR

- (c) If for any reason the terms and conditions of the proposed contract are not mutually settled then and in any such case the contractor shall fail forthwith on demand to return the said old damaged/burnt copper coils to the PVVNL and his authorised representative or such consignee/direct demanding officer/indenting officer as the PVVNL may direct.

- (d) If the [Processing & Conversion of old damaged/burnt copper coils into ETP grade \(IS-191 part Vth 1980/any latest amendment\) DPC Copper winding wire and DPC Copper strips as per required sizes](#) are found to give unsatisfactory service then the guarantor shall pay to the PVVNL on demand as the guarantor may be called upon to pay to the maximum aggregate of Rs.....
2. The guarantor shall pay to the PVVNL on demand the sum under clause I' above without demur and without requiring the PVVNL to invoke and legal remedy that may be available to it to compel such performance by the contractor provided that where the guarantor considers the demand of the PVVNL unjustified shall nevertheless pay the same to the PVVNL though under protest and the guarantor shall not with-hold payment on this account.
- (a) This guarantee will come into force immediately upon receipt of [old damaged/burnt copper coils](#) by the contractor and shall remain in force till last consignment of [old damaged/burnt copper coils](#) is delivered back to the PVVNL or its authorized representative after necessary [Processing & Conversion and](#) testing to the entire satisfaction of PVVNL or his authorized representative/representatives as aforesaid or till the period of take over after satisfaction.
- (b) If the contractor shall fail to deliver back the said the [old damaged/burnt copper coils after Processing & Conversion into ETP grade \(IS-191 part Vth 1980/any latest amendment\) DPC Copper winding wire and DPC Copper strips as per required sizes](#) and testing under the contract as aforesaid by the day of schedule date of delivery within one month before expiry of this guarantee then the contractor shall either get the guarantee extended or shall furnish a fresh guarantee to the satisfaction of the PVVNL. Such extended or fresh bank guarantee will commence from the..... day of20..... and to remain valid till 12 (Twelve) Months after the said [old damaged/burnt copper coils](#) are delivered back to the purchaser or his representative after the necessary [Processing & Conversion into ETP grade \(IS-191 part Vth 1980/any latest amendment\) DPC Copper winding wire and DPC Copper strips as per required sizes](#) and testing to the entire satisfaction of the PVVNL or his authorized representative/representatives as aforesaid or till 12 (Twelve) months after expiry of the extended period of delivery whichever is latter and upon failure of the contractors to furnish extended or fresh grantee to the purchaser such amount as the guarantor may be called upon to pay the max aggregate of Rs.....
- (c) Under this guarantee the contractors are authorized to receive [old damaged/burnt copper coils](#) for [Processing & Conversion into ETP grade \(IS-191 part Vth 1980/any latest amendment\) DPC Copper winding wire and DPC Copper strips as per required sizes](#) and testing from the consignee/direct demanding officers/indenting officer but the quantity of the said [old damaged/burnt copper coils](#) which shall remain in their custody shall not exceed.....Kg. at a time under any circumstances.
3. The guarantee herein contained shall not be effected by any change in the constitution of the guarantor.
4. Any account settled between the contractor and the PVVNL shall be conclusive evidence against the guarantor of the amount due and shall not be questioned by the guarantor.

5. The neglect or forbearance of the purchaser in enforcement of payment of any money, the payment whereof is intended to be hereby secured or the giving of time by the PVVNL for the payment thereof shall in no way relieve the guarantor of its liability under this deed.
6. The PVVNL and the contractor will be at liberty to negotiate and settle the said contract and to carry out any modification in the said contract during the terms of the said contract or any extension thereof, notice of which settlement and modifications to the guarantor is hereby waived.
7. Notwithstanding any thing contained in the foregoing the guarantor's liability hereunder is limited to maximum sum of Rs.....and to the maximum period ending on the six months thereafter which no claim will be entertained by the guarantor unless the guarantee has been extended by mutual agreement as sated in clause-3 (b) above.
8. The expressions the guarantor the purchaser and the contractor shall unless there be anything repugnant in the subject or content, include their respective successor and assigns.
9. Our liability under this guarantee is restricted to Rs.....Our guarantee shall remain in force tilland six months thereafter Unless and action to enforce a claim under the guarantee is filled against us within that date all rights of the purchaser under the said guarantee shall be forfeited and the guarantor shall be relieved and discharged from all liability hereunder, IN WITNESS WHEREOF SRIfor and on behalf of the(Name of bank/company) have signed this deed on the day and year first above written
10. We.....(Name of Bank) lastly undertake to pay to the Government (PVVNL, any money so demanded notwithstanding any dispute to disputes raised by the contractor (s) /supplier(s) in any suit or proceeding pending before any court or Tribunal relating arbitration thereto or liability under the present being absolute and unequivocal.

The payment so made by us under this bond shall be a valid discharge of our liability for payment hereunder and the contractor (s) /supplier(s) shall have no claim against us for making such payment.

Amount of B.G.	Rs.....
Validity period	From.....to..... (.....months)
Claim period	From.....to..... (.....months)
Name of Bank	

**FOR (NAME OF BANK)
HEAD OFFICE**

**Officer In charge
Deposits Section**

Manager