

**SPECIMEN FORMAT FOR BANK GUARANTEE FOR
PERFORMANCE GUARANTEE**

(To be executed on appropriate amount non-judicial stamp paper)

In consideration of *The Board of Mumbai Port Authority, a statutory corporation, constituted under Major Port Trust Authorities Act, 2021 under the Laws of India* (hereinafter called "The Board" which expression shall unless excluded by or repugnant to the context or meaning thereof be deemed to include The Board of Mumbai Port Authority, its successors and assigns) having agreed to exempt _____ (hereinafter called the "Contractor") (Name of the Contractor/s) from the demand under the terms and conditions of the Contract, vide _____ 's letter No. _____ (Name of the Department) date _____ made between the Contractors and the Board for execution of

_____ covered under Tender No. _____ dated _____ (hereinafter called "the said contract") for the payment of Performance guarantee _____ in case or Lodgement of Government Promissory Loan Notes for the due fulfilment by the said Contractors of the terms and conditions of the said Contract, on production of a Bank Guarantee for Rs. ____ (Rupees _____ only we, the (Name of the Bank and address) _____

_____ (hereinafter referred to as "the Bank's) at the request of the Contractors do hereby undertake to pay to the Board an amount not exceeding Rs. _____ (Rupees _____) only against any loss or damage caused to or suffered or which would be caused to or suffered by the Board by reason of any breach by the Contractors of any of the terms and conditions of the said contract.

2. We, _____, _____, do hereby _____ (Name of Bank)
(Name of Branch)

undertake to pay the amounts due and payable under this guarantee without any demur merely on a demand from the Board stating that the amount claimed is due by way of loss or damage caused to or which would be caused to or suffered by the Board by reason of any breach by the Contractors of any of the terms and conditions of the said contract or by reason of the Contractors failure to perform the said contract. 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. _____ (Rupees _____) only.

3. We, _____, undertake to pay to the
(Name of Bank and Branch)

Board any money so demanded notwithstanding any dispute or disputes raised by the Contractor(s) in any suit or proceeding pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability for payment thereunder and the Contractor(s) shall have no claim against us for making such payment.



4. We, _____ further agree with the Board that
(Name of Bank and Branch)

the guarantee herein contained shall remain in full force and effect during the period that would be taken for performance of the said contract and that it shall continue to be enforceable till and the dues of the Board under or by virtue of the said contract have been fully paid and its claims satisfied or discharged or till the

(Name of the user department)

of the said Board certifies that the terms and conditions of the said contract have been fully and properly carried out by the said Contractors and accordingly discharge this guarantee. PROVIDED HOWEVER that the Bank shall be at the request of the Board but at the cost of the Contractors, renew or extend this guarantee for such further period or periods as the Board may require from time to time.

5. We, _____ further agree with the Board
(Name of Bank and Branch)

that the Board shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said contract or to extend the time of performance by the said contract or to extend the time of performance by the said Contractors from time to time or to postpone for any time or from time to time any of the powers exercisable by the Board against the said Contractors and to forebear or enforce any of the terms and conditions relating to the said contract and we shall not be relieved from our liability by reason of any such variation or extensions being granted to the Contractors or for any forbearance, act or omission on the part of the Board or any indulgence shown by the Board to the Contractors or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

6. This guarantee will not be discharged due to the change in the constitution of the Bank of the Contractor(s).

7. It is also hereby agreed that the Courts in Greater Mumbai would have exclusive jurisdiction in respect of claims, if any, under this Guarantee.

8. We, _____ Bank lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Board in writing.

9. "Notwithstanding anything contained herein:

a) our liability under this Bank Guarantee shall not exceed RS. _____ (Rupees
_____ only);

b) this Bank Guarantee shall be valid upto _____; and

c) we are liable to pay the guarantee amount or any part thereof under this Bank Guarantee only and only if the Board serve upon us a written claim or demand on or before _____ (date of expiry of Guarantee)."



Date _____ day of _____ 20

For (Name of Bank)
(Name)
Signature

