**Onerous clauses** identified across the public Bank Guarantee formats, these are from Govt. Institutions, which have their own format/clauses during procurement, especially with regard to Performance Guarantee, where clauses are nuanced.

| File Name | Institution | Onerous Clause (Quoted) | What is Onerous Here | Type of Onerous Clause |
| --- | --- | --- | --- | --- |
| **11FormatofBankGuarantee.pdf** | Indian Institute of Technology Palakkad | “We undertake to pay you, upon your first written demand declaring the supplier to be default under the contract and without cavil or arguments, any sum or sums… without your needing to prove or to show grounds of reasons for your demand…” | Bank must pay immediately on demand without proof or justification; exposes bank to high liability risk without recourse. | **Unconditional & On-demand Payment Obligation** |
|  | “We further agree that no change or addition to or other modification of the terms of the contract… shall in any way release us from any liability under this guarantee…” | Bank remains bound even if contract terms are changed without its consent. | **Waiver of Defences** |
| **171930889165BG Format.pdf** | Haryana State Industrial & Infrastructural Development Corporation Ltd. | “The Bank shall on first demand in writing… without any protest or demur or proof… pay any and all amounts demanded from the Bank by Seller…” | Payment obligation is absolute and triggered solely by beneficiary’s demand. | **Unconditional & On-demand Payment Obligation** |
|  | “Seller’s right to recover… will not be affected… by reason of disputes raised by the Buyer… demand… shall be final and binding on the bank.” | Bank cannot withhold payment even if disputes or litigation are ongoing. | **Exclusion of Defences / Waiver of Rights** |
|  | “The Bank shall not revoke this guarantee during the currency except with the previous consent of Seller…” | Restricts bank’s right to revoke guarantee, even in adverse circumstances. | **Irrevocability Clause** |
| **BG\_Format\_PBG.pdf** | Generic (Performance Guarantee – Purchaser) | “We… guarantee and undertake to pay… without any demur, reservation, contest, recourse or protest and/or without any reference to the Contractor… Any such demand… shall be conclusive and binding notwithstanding… disputes pending…” | Bank has no discretion to contest demand; must honour regardless of disputes or defences. | **Absolute & Unconditional Payment Obligation** |
|  | “The Bank also agrees that the Purchaser… shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Contractor…” | Bank treated as primary obligor, bypassing contractor liability. | **Primary Liability Assumption** |
| **EMD format\_0.pdf** | NewSpace India Limited (NSIL) | “We… agree unequivocally and unconditionally to pay immediately on demand in writing… any amount not exceeding Rs.… to the said NewSpace India Limited on behalf of the bidder.” | Bank must pay instantly on beneficiary’s demand without conditions. | **Unconditional On-demand Payment** |
|  | “This agreement shall be valid and binding… and shall not be terminable by notice or by Guarantor change in the constitution of the Bank or the firm of bidder…” | Guarantee binding regardless of changes in bank/bidder structure. | **Irrevocability & Continuity Clause** |
|  | “This Guarantee shall not be assignable, transferable by the beneficiary… Invocation… can be made only by the beneficiary directly.” | Limits transferability but makes invocation rigidly enforceable by NSIL. | **Restrictive Invocation / Assignment Clause** |