

PERFORMANCE BANK GUARANTEE

The Director General
Bureau of Indian Standards
Manak Bhavan
9 Bahadur Shah Zafar Marg
New Delhi - 110 002

1. In consideration of Bureau of Indian Standards (hereinafter called 'BIS' or 'the Bureau') having agreed to exempt _____ (hereinafter called 'the Licensee') from the demand under the terms and conditions of an agreement bearing No. _____ dated _____ entered into between the Bureau and the Licensee in respect of grant of BIS Certification Mark Licence (CM/L- _____) as per IS _____ : _____ by the Bureau to the Licensee (hereinafter called "the agreement"), of security deposit for the due fulfillment by the Licensee of the terms and conditions contained in the said Agreement, on production of the bank guarantee for _____, we, _____ (hereinafter referred to as "the bank") at the request of _____ (Licensee), do, hereby, undertake to pay to the Director General of the Bureau by Cheque/ Demand Draft, on behalf of the Bureau, an amount not exceeding USD 10,000 (US Dollars ten thousand only) against any loss or damage caused to or suffered or would be caused to or suffered by the Bureau by reason of any breach by the said Licensee of any of the terms or conditions contained in the said Agreement.

3. We, _____, do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Bureau by reason of breach by the said Licensee of any of the terms or conditions contained in the said Agreement or by reason of the Licensee'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 where the decision of the Bureau in these counts shall be final and binding on the bank. However, our liability under this guarantee shall be restricted to an amount not exceeding USD 10,000 (US Dollars ten thousand only).

4. We undertake to pay to the BIS any money so demanded notwithstanding any dispute or disputes raised by the Licensee 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 valid discharge of our liability for payment thereunder, and the Licensee shall have no claim against us for making such payment.

5. We _____ further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement and that it shall continue to be enforceable till all the dues of the Bureau under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till the Bureau certifies that the terms and conditions of the said Agreement have been fully or properly carried out by the said Licensee and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before _____, we shall be discharged from all liabilities under this guarantee thereafter.

6. We _____ further agree with the Bureau that the Bureau 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 Agreement or to extend time of performances by the said Licensee from time to time or to postpone for any time or from time to time any of the powers exercisable by the Bureau against the said Licensee 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 Licensee or for any forbearance, act or omission on the part of the Bureau or any indulgence by the Bureau to the said Licensee or by any such matter or thing whatsoever which under law relating to sureties would, but for this provision, have effect of so relieving us.

5. This guarantee will not be discharged due to the change in the constitution of the Bank or the Licensee.

6. We _____ lastly undertake not to revoke this guarantee during and even after its currency except with the previous consent of the Bureau in writing.

Dated: the ____ day of _____ of _____ for _____ Bank.

Place:

Signature:

Name:

For and on behalf of:

Seal:

Note: - PBG shall be issued by any Bank having Reserve Bank of India approved branch in India. Original PBG shall be endorsed and routed / forwarded through the Indian branch only. (Give the details of such RBI approved branch in India below)