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## Bank Guarantee

To,  
The Hongkong and Shanghai Banking Corporation Limited  
25 Barakhamba Road  
New Delhi 110 001

We \_\_\_\_\_ (name of the bank issuing the guarantee), a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings Act 1970) and having its Head Office at \_\_\_\_\_ and one of its branches at \_\_\_\_\_, (hereinafter referred to as 'the Bank'), hereby issue our Bank Guarantee No \_\_\_\_\_ in favour of THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED a company incorporated under the Companies Ordinance of the Hong Kong Special Administrative Region (HKSAR), having its registered office at 1, Queen's Road Central, Hong Kong and having its India Corporate office at 52/60 Mahatma Gandhi Road, Fort, Mumbai 400 001 and a branch office inter alia at 25 Barakhamba Road, New Delhi 110 001 (hereinafter referred to as "HSBC" which expression shall include its successors and assigns) on account of M/s. \_\_\_\_\_, a company registered and existing under the laws of India, with its Registered Office located at \_\_\_\_\_ (hereinafter referred as 'Applicant') to an aggregate amount of Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only) as a security for credit facilities being extended/to be extended to \_\_\_\_\_ (hereinafter referred as 'Borrower').

Comment [VS1]: Name of Applicant

Comment [VS2]: Name of the company to whom the facilities are being extended by HSBC

The facilities covered by this indemnity are as follows:

TYPE	AMOUNT
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This bank guarantee is available with respect to claim ~~from on us the Bank~~ for ~~the any~~ sums sanctioned by ~~you~~ HSBC to \_\_\_\_\_ under the credit facility made available by ~~you~~ HSBC to \_\_\_\_\_

We, the Bank, do hereby undertake to pay the amount claimed and payable under this guarantee immediately on a demand from HSBC without any demur or proof. 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 an amount not exceeding Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only) ~~together with interest applicable thereon, other costs, expenses and charges (if any).~~

We, the Bank, undertake to pay to the HSBC any money so demanded notwithstanding any dispute or disputes raised by the Applicant/ Borrower in any manner with the Bank, or in any suit or proceeding pending before any Court or Tribunal relating thereto, our liability under this present being absolute and unequivocal.

That any notice to be given to ~~us the Bank~~ under these presents shall be deemed to have been given to ~~us the Bank~~ by sending the same by registered post or courier at the following address:

Address: \_\_\_\_\_

Comment [VS3]: Insert Issuing bank's address

We, the Bank, further agree that the guarantee herein contained shall remain in full force and effective during the period that would be taken for the repayment of credit facilities and that it shall continue to be enforceable till all the dues of ~~the~~ HSBC have been fully paid and its claims satisfied or discharged or till \_\_\_\_\_ (expiry date)

This bank guarantee is valid until \_\_\_\_\_, (hereinafter the 'expiry date'), However, the validity period of bank guarantee can be extended for a further period and presented to ~~our the Bank's~~ counter before the expiry date.

OR

This bank guarantee is valid until \_\_\_\_\_, (hereinafter the 'expiry date'), and shall be automatically extended for a further period of \_\_\_\_\_ (tenor) till the same is discharged by HSBC.

**Comment [VS4]:** In case of Open ended facilities

Provided always that the obligations of the Bank to HSBC shall not be affected by the insolvency or winding up of the Applicant or the Borrower (as defined in this bank guarantee) or their permitted assigns.

The Bank shall not assign or transfer any of its obligations under this Guarantee except with the prior permission of HSBC in writing.

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This guarantee is governed and construed by Indian Laws and subject to the exclusive jurisdiction of the Courts in India.

Notwithstanding anything to the contrary contained herein:

1] Our liability under this Bank Guarantee shall not exceed Rs \_\_\_\_\_ (Rupees only).

2] This Bank guarantee shall be valid upto \_\_\_\_\_ (**expiry date**)

3] We are liable to pay the guaranteed amount or any part thereof under this bank guarantee only and only if you serve upon us a written claim or demand on or before \_\_\_\_\_ (**expiry date**).

Dated, this \_\_\_\_\_ day of \_\_\_\_\_ 2009.