**FORMAT OF BANK GUARANTEE**

BG NO:**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Date : **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**To:  
NSE Clearing Ltd**

Exchange Plaza, Plot C-1, G Block,

Bandra Kurla Complex,

Bandra (East),

Mumbai – 400 051.

Dear Sirs:

This guarantee bearing No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is issued by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a body corporate constituted under the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Act 19\_\_\_, having its Head/Registered/corporate Office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and Branch Office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, hereinafter referred to as the “Bank” (which term shall wherever the context so permits includes its successors and assigns) in favour of NSE Clearing Limited), a Company incorporated under the Companies Act, 1956 and having its registered office at Exchange Plaza, Plot C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, hereinafter referred to as “AI” (which expression shall include its successors and assigns).

Whereas

a. Mr./Ms.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Pro, of Entity name) s/o / d/o / w/o \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, residing at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and having his/her office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Complete Address), (hereinafter referred to as the “ Participant”, which expression shall include his/her successors and assigns) /\* is/are a Participant of the AI.

OR

M/s \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a partnership firm/ a Limited Liability Partnership firm registered under the Indian Partnership Act, 1932/ Limited Liability Partnership Act, 2008 and having their office at

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Complete Address), (hereinafter referred to as the “ Participant”, which expression shall include their successors and assigns ) / is/are a Participant of the AI.

BG NO:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date : \_**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

OR

M/s\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_., incorporated as a company under the Companies Act, 1956 /Companies Act 2013 and having its registered office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Complete Address), (hereinafter referred to as the “ Participant”, which expression shall include its successors and assigns ) is/are a Participant of the AI.

b. One of the conditions for participating in Securities Lending and Borrowing Scheme (SLBS) of the AI is that the Participant maintains with the AI collateral as may be specified by the AI under SLBS and the Circulars issued there-under from time to time.

c. At the request of the Participant, the AI has agreed to accept a bank guarantee towards collateral, in favour of the AI from an approved commercial bank for an equivalent amount of Rs.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_( Rs in words)

d. The Participant has requested the Bank to furnish to the AI a guarantee for Rs.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Rs in words).

Therefore these presents:

1. This guarantee shall be governed by the terms and conditions of the Master Agreement dated \_\_\_\_\_\_\_\_executed between the Bank and the AI and the same shall form a part and parcel of this guarantee as though the same have been incorporated in this guarantee.
2. The liability of the Bank under this guarantee shall not exceed Rs.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Rs. In words).
3. This guarantee shall be valid for a period of \_\_\_\_\_\_\_\_\_ months i.e. upto \_\_\_\_. However, the Bank is liable to pay the guaranteed amount if the AI serves upon the Bank a written claim or demand on or before \_\_\_\_\_\_\_\_\_\_\_\_ (i.e. within \_\_\_\_\_\_\_\_ months after the date of expiry of the bank guarantee as mentioned in this clause).
4. The Bank agrees to ensure that the security created for issuing the bank guarantee will not belong to the clients of the Participants. (The foregoing will not be applicable for proprietary funds of Participants in SLBS and Participant’s proprietary funds deposited capacity of a client).

Executed this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_

For \_\_\_\_\_\_\_\_(Bank)

Authorized Signatories

Seal of the Bank

BG NO:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date : \_**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Instructions:**

* *The above printed format is required to be used.*
* *The Bank Guarantee to be stamped for the value prevailing in the State where executed. Bank Guarantee to be executed on Non-Judicial stamp paper(s) or on paper franked from Stamp Office*
* *All the blanks in the format are required to be duly filled by the issuing bank along with the signature of the authorized signatory and stamp of the bank.*

*Each page of the bank guarantee should bear the bank guarantee number and issue date and should be signed by two authorized signatories of the bank unless the bank has specifically intimated AI that only one authorized signatory shall sign the bank guarantees issued by them in favour of AI.*