

**(TO BE EXECUTED ON STAMP PAPERS IF APPLICABLE )**

**DEED OF STATE GOVT. GUARANTEE**

THIS DEED OF GURANTEE executed at this \_\_\_\_\_ day of \_\_\_\_\_ 201..... by the President of India/The Governor of the State/UT (hereinafter referred to as "The Guarantor" which expression shall, unless it be repugnant to the subject or context thereof, include its successors in office).

**IN FAVOUR OF**

NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION, hereinafter referred to as "NMDFC" a Govt. of India Undertaking Incorporated under Section 25 of the Companies Act, 1956 having its Registered Administrative and Head Office at 1<sup>st</sup> Floor, Core I, Scope Minar Laxmi Nagar, Delhi-110092, hereinafter referred to as "the NMDFC", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns.

**WHEREAS:**

1. The \_\_\_\_\_ (Name & Address of Channelising Agency) (hereinafter referred to as the "Channelising Agency") intends to undertake various projects for the benefit of members of Minority community in the State/UTs of \_\_\_\_\_.
2. The Channelising Agency intends to obtain from the NMDFC loans/Margin Money assistance or any other financial assistance which NMDFC may agree to sanction from time to time upto Rs. \_\_\_\_\_ (hereinafter referred to as the "said loan") for implementation of the projects(s), embodied in the Loan Agreement already executed between NMDFC and channelizing Agency on \_\_\_\_\_ (Date of Loan Agreement) for the said loans, hereinafter referred to as "The Loan Agreement").
3. NMDFC will sanction loan to the Channelising Agency for each Scheme/project after proper appraisal of project /scheme and

Cont....

requirements of funds thereof on such terms and conditions as may be stipulated by NMDFC and accepted by the Channelizing Agency in this behalf and as such the sanctions and disbursement of the loans are linked with the projects sanctioned by NMDFC within the overall limit of Rs.\_\_\_\_\_hereinbefore mentioned and each loan is to be treated separately in so far as the schedule of repayment of principal and payment of interest/ service charges and maintenance of accounts both by NMDFC and the Channelising Agency are concerned.

4. NMDFC has stipulated in the said Loan Agreement that the repayment of the principal of the loan sanctioned by NMDFC to the Channelising Agency for each project/scheme together with interest/service charges at the rate stipulated therein within the overall limits of Rs.\_\_\_\_\_ (Rupees in words \_\_\_\_\_) hereinbefore mentioned in guaranteed by the Guarantor in the manner hereinafter appearing.
5. The Guarantor has now at the request of the Channelising Agency agreed to furnish such guarantee in favour of the NMDFC as hereinafter mentioned.

**NOW IT IS HEREBY AGREED TO BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:-**

1. That to enable the Channelising Agency to obtain from NMDFC the said loans on the terms and conditions contained in the Loan Agreement for implementing the scheme(s)/project(s) and in consideration of the aforesaid premises the Guarantor hereby fully unconditionally and irrevocably guarantee to the NMDFC the due repayment by the Channelising Agency to the NMDFC of each loan sanctioned by NMDFC for the projects/schemes mentioned in the said loan Agreement within the overall limit of Rs. hereinabove mentioned and the due payment of interest by the Channelising Agency to the NMDFC on that loan or installments/ installment(s) thereof as shall become due and payable in respect of

that loan and in the event of the Channelizing Agency's failure to repay that loan or any part or parts thereof and/or to pay any interest /service charges that will become due, and payable and remain due and unpaid by the Channelising Agency to the NMDFC the Guarantor shall on demand by NMDFC pay the same to the NMDFC.

2. That NMDFC shall give intimation to the Guarantor of the sanction of each loan to the Channelising Agency and terms and conditions thereof as accepted by the Channelising Agency, and on such intimation it shall form the part of the said Loan Agreement.
3. That the Guarantee hereby given shall be a continuing guarantee for all amounts advanced and or to be advanced by NMDFC to the Channelising Agency from time to time to the extent and upto the limit of the amount agree to be advanced under the aforesaid Loan Agreement together with the interest/service charges at the stipulated rate and costs, charges and other monies payable to NMDFC by the Channelising Agency and shall not be considered satisfied by any payment or liquidation at any time or times hereafter of any sum or sums of money for the time being due under the aforesaid Loan Agreement or any of them by way of principal or interest by shall extend to cover and be security for all future sums at any time or times due thereafter under the said Loan Agreement. AND this guarantee shall continue until all the dues of the NMDFC under the said loan Agreement have been paid in full or otherwise fully discharged by Guarantor to the satisfaction of the NMDFC irrespective of any part payment or payments.
4. That the Guarantor do hereby consent to the NMDFC making any variance that it may think fit in any of the terms of the said Loan Agreement at any time hereafter and agrees that such variance shall not in any way affect the liability of the Guarantor under the guarantee hereby given.

5. That any neglect or the forbearance of the NMDFC in enforcing the payment or repayment to it of any the loans or any installment/installments thereof or interest/service charges thereon under the said Loan Agreement, payment or repayment whereof is intended to be hereby secured or giving of time by NMDFC for the payment or repayment thereof shall not in any way release the Guarantor of his liability under the guarantee hereinbefore contained.
6. The Guarantor hereby agrees and declares that the NMDFC will not be bound or compelled to take any proceedings whatsoever against the Channelising Agency for recovery, enforcement or realization of any of the dues of the NMDFC from or against the Channelising Agency under in pursuance of the guarantee hereby given so that the Guarantor shall be liable and bound to pay all such dues to the NMDFC as shall be or become due and payable by the channelizing Agency as if the Guarantor were the principal debtor notwithstanding that no proceeding whatsoever shall have been taken by the NMDFC against the Channelising Agency for recovery, enforcement or realization of any such dues.
7. That any amount intimated by the NMDFC as outstanding against the Channelising Agency in respect of any loan advanced for any project(s)/scheme(s) or in respect of all the project(s)/scheme(s) under the said loan Agreement shall be conclusive and binding against the Guarantor and shall not be questioned by the Guarantor.
8. That in the event of default in the payment of any installment of principal and or interest/service charges or breach of any of the terms and conditions of any loan by the Channelising Agency the NMDFC may without prejudice to its other rights recall loan or all outstanding loan under the said Loan Agreement and in the event of failure on the part of Channelising Agency to make payments as

required by NMDFC, the Guarantor shall pay forthwith the amounts as and when demanded by the NMDFC.

- 9. The Guarantor do hereby declare that the guarantee hereby given by the Guarantor is within the limits fixed/no limit has been fixed by the legislature of the State of \_\_\_\_\_ under the Article 293(1) of the Constitution of India.
- 10. The stamp duty, if any, payable on this Deed of Guarantee is to borne by the State Govt., the Guarantor herein.

**IN WITNESS WHEREOF** the within named guarantor has caused these presents to be executed by the hand of Sh.\_\_\_\_\_ ( Name & Designation) its authorized official on the day, month and year first hereinabove written.

SIGNED AND DELIVERED )  
 For and on behalf of )  
 The Governor of the State )  
 \_\_\_\_\_ )  
 by hand of )  
 Sh.\_\_\_\_\_ )  
 (Name & Designation) )  
 Its Authorised Official )  
 Name & Designation )

In presence of

- 1. Name & Designation
- 2. Name & Designation