

BANK GUARANTEE FOR BID BOND
(To be stamped in accordance with the stamp Act)

Bank Guarantee No. _____

Date: _____

Valid upto : _____

Amount : _____

To

National Institute of Ocean Technology
Velachery-Tambaram Road, Pallikaranai,
Chennai 600 100

Dear Sir,

1. Where as the NATIONAL INSTITUTE OF OCEAN TECHNOLOGY, an autonomous body of Ministry of Earth Sciences, Govt. of India having its office at Velachery-Tambaram Road, Pallikaranai – 600 100, Chennai, India (herein after called "NIOT" which expression shall unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assigns) has floated a Tender No. _____ and M/s. _____ having registered/ head office at _____ (hereinafter called the 'bidder' which expression shall, unless repugnant to the context or meaning thereof mean and include all its successors, administrators executors and assigns) have submitted a quotation No. _____ and bidder having agreed to furnish as a condition precedent for participation in Tender an unconditional and irrevocable bank guarantee of _____ only (WORDS _____ only) for the due performance of bidder's obligations as contained in the terms and conditions contained in the Tender Document supplied by NIOT especially the conditions that (a) bidder shall keep his Tender open for a period of _____ days i.e. from _____ to _____ or any extension thereof and shall not withdraw or modify it in a manner not acceptable to NIOT, (b) the bidder will execute the contract, if awarded and shall furnish performance guarantee in the format prescribed by NIOT within the required time. The bidder has absolutely and unconditionally accepted these conditions.
2. NIOT and the bidder have agreed that the Notice Inviting Tender (NIT)/Tender Document (TD) is an offer made on the condition that the Tender, if submitted, would be kept open in its original form without variation or modification in a manner acceptable to NIOT for a period of _____ days, i.e. from _____ to _____ or any extension thereof and that the making of the Tender itself shall be regarded as an unconditional and absolute acceptance of the conditions contained in NIT and the Tender Document. They have further agreed that the

Agreement consisting of NIT/Tender Document as the Offer and the submission of the Tender as the Acceptance shall be separate Agreements distinct from the Contract which will come into existence when the Tender is finally accepted by NIOT. The consideration for this separate initial Agreement preceding the main Agreement is that NIOT is not agreeable to sell the NIT/Tender Document to the bidders and to consider the Tender to be made except on the condition that the Tender shall be kept open for the period indicated above and the bidder desires to make a Tender on this condition and after entering into this separate initial Agreement with NIOT, NIOT promises to consider the Tender on this condition and the bidder agrees to keep this Tender open for the required period. These reciprocal promises form the consideration for this separate initial Agreement between the parties.

3. Therefore, we _____ (Bank) _____ registered under the laws of _____ having head/registered office at _____ (hereinafter referred as the "Bank" which expression shall unless repugnant to the context or meaning thereof, include all its successors, administrators and executors) hereby issue irrevocable and unconditional bank guarantee and undertake to pay immediately on first demand in writing in Rupees or in such convertible currency as acceptable to NIOT any and all monies to the extent of _____ only (WORDS _____ only) at any time immediately on such demand without any demur, reservations, recourse, contest or protest and/or without any reference to the bidder and any such demand made by NIOT on the Bank shall be conclusive and binding not withstanding any difference between NIOT and the bidder or any dispute pending before any court, arbitrator or any other authority and/or any other matter whatsoever. We also agree that guarantee herein contained shall be irrevocable unless it is discharged earlier by NIOT in writing. This guarantee shall not be determined/discharged/affected by the liquidation, winding up, dissolution, on insolvency of the bidder and will remain valid, binding and operative against the Bank.
4. The Bank also undertakes that NIOT at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the bidder.
5. The Bank further agrees that as between the Bank and the NIOT for the purpose of this guarantee any notice for the breach of the conditions contained in NIT and other terms and conditions contained in the Tender Documents as referred above, given to the Bank by NIOT shall be conclusive and binding on bank without any proof, notwithstanding any other matter or difference or dispute whatsoever. We further agree that this guarantee shall not be affected by any change in our constitution, in the constitution of NIOT or that of the bidder. We also undertake not to revoke in any case this Guarantee during its currency.

6. The Bank agrees with NIOT that NIOT shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms of the Tender or get extension of the validity period from time to time. We shall not be relieved from our liability by reason of any such variation or extension of the validity period or for any forbearance, act of omission and commission on the part of NIOT or any indulgence shown by NIOT to the said bidder or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision have the effect of so relieving us.
7. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to _____ only (WORDS _____ only) in aggregate and it shall remain in full force upto & including 60 days after _____ unless extended in writing by M/s. _____ on whose behalf this Guarantee has been given, in which case remain in full force upto and including 60 days after the extended period. Any claim under this Guarantee must be received by us before the expiry of 60 days from _____ or before the expiry of the 60 days from the extended period, if any, if no such claim has been received by us within the 60 days after the said date/extended date, all rights of NIOT under this Guarantee will cease subject to para 8 below. However, if such a claim has been received by us within & upto 60 days after the said date/extended date, all rights of NIOT under this Guarantee shall be valid and shall not cease until we have satisfied that claim.
8. In case contract is awarded to the bidder (hereinafter referred to as "Consultant") the validity of this Bank Guarantee will stand automatically extended until the Contractor furnishes to NIOT a Bank Guarantee for _____ only (WORDS _____ only) towards performance guarantee for satisfactory performance of the Contract. In case of failure to furnish Performance Bank Guarantee in the format prescribed by NIOT by the required date, the claim must be submitted to us within 120 days after the last date of validity period or extended period, if any. If no such claim has been received by us within 120 days after the said date/extended date, rights of NIOT under this guarantee shall be valid and shall not cease until we have satisfied that claim.
9. The Bank confirms that this Guarantee has been issued with the approval of the appropriate Exchange Control Authorities in _____ (if required) and any other authority if required as per the laws of the country of issue of guarantee.
10. We also agree that this Guarantee shall be governed by and construed in accordance with Indian Laws and subject to exclusive jurisdiction of Indian Courts. The Bank also agrees that courts of the place from where Tenders have been invited shall have exclusive jurisdiction.

In witness whereof the bank, through its authorised officer has put its hand and stamp on this _____ day of _____ 200- _____ at _____ .

Yours faithfully
(Signature)

WITNESS No.1

Name in full

(Signature with full name and Designation)

Date

(address)

WITNESS No.2

Name in full

(Signature with full name and Designation)

Date

(address)