

FORMAT FOR BID GUARANTEE

In consideration of the [Insert name of the Bidder with address] agreeing to undertake the obligations under binding offer dated [Insert date of the binding offer], the [Insert name and address of the bank issuing the guarantee and address of the head office] (hereinafter referred to as “**Guarantor Bank**”) hereby agrees unequivocally, irrevocably and unconditionally to pay to the Union Bank of India (“**Union Bank**”) forthwith on demand in writing from Union Bank or any Officer authorized by it in this behalf, any amount up to and not exceeding INR [Insert value of the Bank Guarantee], only on behalf of [Insert name of the Bidder] (hereinafter referred to as “**Bank Guarantee**”)

This Bank Guarantee shall be valid and binding on the Guarantor Bank up to and including [Insert date up to which the Bid Guarantee will be valid] and shall in no event be terminable by notice or any change in the constitution of the Guarantor Bank or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Bank Guarantee is restricted to INR [Insert value of the Bank Guarantee]. Our Bank Guarantee shall remain in force until [Insert date up to which the Bid Guarantee will be valid]. Union Bank shall be entitled to invoke this Bank Guarantee up to three (3) months from the last date of the validity of this Bank Guarantee by issuance of a written demand to invoke this guarantee.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand from Union Bank, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to Union Bank.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by, [Insert name of the Bidder] and/or any other person. The Guarantor Bank shall not require Union Bank to justify the invocation of this Bank Guarantee, nor shall the Guarantor Bank have any recourse against Union Bank in respect of any payment made hereunder.

This Bank Guarantee shall be interpreted in accordance with the laws of India and the courts at [Mumbai] shall have exclusive jurisdiction. The Guarantor Bank represents that this Bank Guarantee has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This Bank Guarantee shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank.

This Bank Guarantee shall be a primary obligation of the Guarantor Bank and accordingly Union Bank shall not be obliged before enforcing this Bank Guarantee to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank hereby agrees and acknowledges that Union Bank shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

Notwithstanding anything contained hereinabove, our liability under this Bank Guarantee is restricted to INR [Insert value of the Bank Guarantee] and it shall remain in force until [Insert date up to which the Bid Guarantee will be valid]. This Bank Guarantee shall be extended from time to time for such period, as may be desired by [Insert name of the Bidder], We are liable to pay the guaranteed amount

or any part thereof under this Bank Guarantee only if Union Bank serves upon us a written claim or demand.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp on this day of at

Witness:

1. Signature
Name and Address. Name:
2. Designation with Bank Stamp
Name and Address

Attorney as per power of attorney No

For:

..... [Insert Name of the Bank]
Banker's Stamp and Full Address:

Dated this day of 20.....

[Notes: The Stamp Paper should be in the name of the Guarantor Bank.]