

FORMAT (*/***)

BID BOND / EMD BANK GUARANTEE

WHEREAS M/s _____ intend to submit a tender (hereinafter called the Tender) to M/s Mazagon Dock Limited (MDL, hereinafter named Company) for the invitation to tender by MDL vide reference no.: _____ dated: _____ for the requirement of _____ (equipment, items, materials etc.)

Now, by this letter, we the undersigned (*Bank's Name and address*) whose registered office is at: _____ bind ourselves unconditionally and irrevocably for payment to M/s Mazagon Dock Limited of the sum of (currency / amount) as Earnest Money Deposit to indemnify MDL in case of default. The conditions of the above obligations are such that if M/s _____ shall not keep their Tender being submitted to Mazagon Dock Limited as set forth in the instructions to Tenderers valid and unaltered until six months from the due date _____ of the tender, viz. _____ refused to sign a formal agreement in accordance with the terms of the tender or after having signed the agreement does not perform the ORDER / CONTRACT, then this obligation remains in full force and effect, otherwise to be null and void.

In case this obligation is effective, we, (*Bank's Name*) undertake to pay to M/s. Mazagon Dock Limited any amount upto the above indicated sum, upon written request, without any demur or protestation and without reference to M/s _____ within 15 days from the date of such demand in any manner in which the Company may direct and also without the necessity of instituting and proceeding whether judicial or otherwise, at any time upon the ORDER / CONTRACT committing any one or more of the following:

- (a) Withdraws his tender during the validity period or any extension sought / granted thereof, or
- (b) If the ORDER / CONTRACT varies or modifies his tender in a manner not conforming to Tender Conditions and / or not acceptable to MDL during the validity period or any extension of the validity duly agreed to by the bidder, or
- (c) If a bidder whose offer has been accepted fails to furnish Security Deposit within fifteen days of award of the ORDER / CONTRACT or by the date mutually agreed to whichever is later.

We, (*Bank's Name*), agree that our liability to pay is not dependant on conditions on your proceedings against the ORDER / CONTRACT and we shall be liable to pay an amount not exceeding the aforesaid amount as and when demanded by you merely on claim being raised by you and even before any legal proceedings are taken against the ORDER / CONTRACT.

We, (*Bank's Name*), undertake not to revoke this guarantee during its currency except with the previous consent of the Purchaser in writing. The guarantee herein contained shall not be revocable by notice or by reasons of dissolution or winding up of the business of the ORDER / CONTRACT or any change in the constitution or composition of the ORDER / CONTRACT.

This guarantee shall remain valid, in case the Tender is accepted, until the due performance of the ORDER / CONTRACT resulting from such acceptance inclusive of furnishing Security Deposit in a manner specified by MDL and in any other case until _____.

We, (*Bank's name*) have power to issue guarantee in your favour under Memorandum and Articles of Association and the undersigned has full power to do so under the Power of Attorney dated _____ granted to him by the Bank.

After the hereabove mentioned date, the Guarantee shall lapse automatically without necessity to be returned to the Bank.

Date:

Signature of a person duly authorized to sign
on behalf of the Bank, with Seal of the Bank

* INDIGENOUS VENDORS TO SUBMIT THIS EMD ON NON-JUDICIAL STAMP PAPER OF RS. 100.00 FROM NATIONALISED / SCHEDULED BANK ONLY.

** FOREIGN VENDORS TO SUBMIT THIS EMD ON LETTER HEAD OF BANK OF INTERNATIONAL REPUTE.