

(PROFORMA OF)

BANK GUARANTEE FOR ADDITIONAL PRE-BID EMD

(On non-judicial stamp paper of appropriate value)

Ref.....

Date.....

Bank Guarantee No.

To,

M/s. MSTC LIMITED
D.NO. 6-3-635 & 637, Flat No.201, 2nd Floor,
AKASH GANGA COMPLEX,
KHAIRTABAD,
Hyderabad - 500004

Dear Sir,

Whereas in accordance with your invitation for e auction –cum- e tender No..... due on(date) for sale of Red Sander Wood for and on behalf of the Government of Andhra Pradesh, the intending bidders are required, inter alia, to submit confirmed and irrevocable Bank Guarantee of Rs..... (as per e-auction catalogue) (Rupees----- only) in your favour towards and in lieu of additional pre-bid Earnest Money Deposit payable by such bidder for participation in the said e-auction – cum- e-tender and being bound by the terms thereof.

And whereas M/s , (full address) (hereinafter called the “said bidder”) intending to participate in the said e tender- cum- e auction has approached us with the request to issue a confirmed and irrevocable Bank Guarantee for Rs..... Rs._____ (as per e-auction terms and conditions) (Rupees----- only) in your favour towards and in lieu of additional pre-bid Earnest Money Deposit.

And Whereas, at the request of the said bidder being one of our constituents and in consideration of the promises, we _____ (Name of the issuing bank) have agreed to issue such guarantee being these presents in your favour towards and in lieu of additional pre-bid Earnest Money Deposit on the terms as hereinafter appearing.

1. Now in consideration of the above premises, we (Name and address of the issuing bank) incorporated under..... having its registered office at..... and a branch office, inter alia, at..... (herein after referred to as the Bank)at the request of our said constituent do hereby irrevocably guarantee and undertake to pay you on demand the amount not exceeding sum of Rs. _____/- (Rupees _____ Only) if, our said constituent viz., the Said Bidder fails to execute and fulfill any of

the terms and conditions of the e-auction–cum-e-tender above referred in accordance with the true intent and meaning thereof within the period provided for such fulfillment and in the event of any default or defaults or failure on the part of our said constituent in fulfilling the terms and conditions of the e-auction aforesaid, we shall forthwith on demand and without any demur or protest, pay to you and/or your authorized agent or representative any sum or sums of money not exceeding in the aggregate Rs. _____/- (Rupees _____ Only) as may be claimed by you, be it for your losses, damages, costs, charges or otherwise arising out of, directly or indirectly, the said Bidder's failure in fulfilling the terms and conditions of the said e-auction.

2. Notwithstanding anything contained herein to the contrary, your decision as to whether the said bidder viz. our said Constituent has committed any default or defaults or failure in fulfillment of the terms and conditions of the e-auction-cum- e-tender above referred and the amount or amounts to which you are entitled to by reason thereof, will be conclusive and binding on us as regards the amount due and payable by us under this guarantee and we shall not be entitled to ask you to establish your claim or claims under this guarantee, but we shall pay the same to you forthwith on your demand, without any protest or demur.

3. We undertake to pay to you any money so demanded notwithstanding any dispute or disputes raised by the said bidder in any suit or proceeding pending before any Court or Tribunal or any other Authority relating thereto, our liability under these presents being absolute and unequivocal.

4. We, further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the due fulfillment of the said e-auction–cum-e- tender by our said constituent or till it is discharged/released by you in writing whichever is later.

5. Should it be necessary to extend this guarantee on account of any reason whatsoever we _____.(name of the Bank) hereby irrevocably undertake to extend the period of this guarantee without any demur or neglect on your written request but at the costs and expenses of our said Constituent till such time, as may be required by you. Your decision in this regard shall be final and binding on us.

6. You will have the fullest liberty without affecting in any way the liability of the Bank under this guarantee from time to time to vary any of the Terms and Conditions of the said e-auction cum e-tender or extend the time for fulfillment thereof or to postpone the exercise of any powers vested in you or of any right which you might have against the said bidder Viz. our said Constituent and to exercise the same at any time in any manner, and either to enforce or to forebear to enforce any Terms & Conditions of the said e-auction-cum-e-tender or any other recourse or remedy or security available to you . The Bank shall not be released of its obligations under these presents by any exercise by you of your liberty with reference to the matters aforesaid or any other of them or by reason or any other acts of omission or commission on the part of you or any other indulgence shown by you or by any other matter or thing whatsoever which under law would, but for this provision / agreement, have the effect of relieving the Bank from its liability hereunder.

7. This guarantee shall not in any way be effected by your taking or varying or giving up any securities from the said bidder or any other person, firm or company on its behalf or by winding up, dissolution, merger, amalgamation or absorption as the case may be of the said bidder.

8. Our liability under this guarantee is not dependent or conditional on your proceeding

against our said Constituent viz. the said bidder. In order to give full effect to this guarantee herein contained, you shall be entitled to act as if, our Bank were your principal debtor in respect of all your such claims against the said bidder, hereby guaranteed by us as aforesaid in the first instance without proceeding against the said bidder and we hereby expressly waive all our rights of surety and other rights, if any, which are in any way inconsistent with any of the provisions of this guarantee.

9. Any notice by way of demand or otherwise may be sent by you by courier, FAX , email or registered post to our local address as aforesaid and if sent by post by postage pre-paid, it shall be deemed to have been served on us when the same has been posted.

10. This guarantee shall not be affected or determined by liquidation or winding up or insolvency or any change in the constitution of the said bidder or our Bank nor shall it be affected by any change in your constitution or by any amalgamation or absorption thereof or therewith, but will enure to the benefits of and be available to and enforceable by the absorbing or amalgamated company or concern, as the case may be.

11. We have powers to issue this guarantee in your favour under the Memorandum and Articles of Association of our Bank and the undersigned has full power to execute this guarantee under the Delegation of Power granted to the undersigned by the Bank.

12. This guarantee shall be governed by the Indian Laws and be subject to the exclusive jurisdiction of competent court in Hyderabad only, to the exclusion of other courts, notwithstanding conflict of jurisdictions.

13. Notwithstanding anything contained hereinabove: -

- (a) Our liability under this guarantee shall not exceed Rs. _____ (Rupees _____ only);
- (b) This guarantee shall remain valid up to one year from the date of issue unless it is extended at your request; and
- (c) We are liable to pay the guaranteed amount or any part thereof under this guarantee if you serve upon us the written claim or demand on or before expiry of the validity of this guarantee.

We. _____(Bank) do further undertake not to revoke this guarantee, except with your prior, written consent/approval.

SIGNED, SEALED AND DELIVERED
Bank

For and on behalf of by the within named
_____ Bank

(Name) Authorized Signatory

Note:

- 1) *In case of foreign bidder, the bank guarantee should be submitted from the corresponding (Indian) schedule bank of the foreign Bank in India and should be enforceable and payable at Hyderabad.*

- ii) *Bank guarantee in original should reach MSTC Limited, Hyderabad on or before 5 (five) working days (of MSTC) before the date of the e-tender cum e-auction.*
- iii) *No changes in the Proforma are permitted.*
- iv) *The bidders on behalf of whom this bank guarantee was submitted should facilitate in getting confirmation by the issuing bank.*
- v) *The issuing bank is liable to give the confirmation of bank guarantee within 2 working days to MSTC Limited.*