GOVERNMENT OF NAGALAND
OFFICE OF THE GENERAL MANAGER
NAGALAND STATE TRANSPORT
NAGALAND : DIMAPUR

Dear Sir(s),

1. Whereas Govt of Nagaland, having its Nagaland State Transport Department at Dimapur (hereinafter called “GOVT OF NAGALAND”) has floated 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 reference No. __________ and Bidders having agreed to furnish as a condition precedent for participation in tender an unconditional and irrevocable bank guarantee of Rs. ______ lakhs (Rupees ____________) only per helicopter for the due performance of Bidders obligations as contained in the terms of Invitation of Bid (IOB) and others terms and conditions contained in the Tender Documents supplied by GOVT OF NAGALAND, especially the conditions that (a) Bidder shall keep his tender open up to ____________ as or any extension thereof and shall not withdraw/or modify it in a manner not acceptable to GOVT OF NAGALAND, (b) The Bidder will execute the contract, if awarded, and shall furnish Performance Guarantee in the format prescribed by GOVT OF NAGALAND within the required time. The Bidder has absolutely and unconditionally accepted these conditions. Govt of Nagaland and the Bidder have agreed that the tender documents are an offer made on the required time. The Bidder has absolutely and unconditionally accepted these conditions. Govt of Nagaland and the Bidder have agreed that the tender documents are an offer made on the condition that the tender, if submitted, would be kept open in its original from without variation or modification in a manner acceptable to GOVT OF NAGALAND for the period 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 condition contained in the IOB and the tender documents.

They have further agreed that the contract consisting of the IOB/ Documents as the offer and the submission of the tender as the ACCEPTANCE shall be a separate contract distinct from the contract which will come into existence when the tender is finally accepted by GOVT OF NAGALAND. The consideration for this separate initial contract preceding the main contract is that GOVT OF NAGALAND is not agreeable to give the IOB/Tender Documents to the Bidder 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 contract with GOVT OF NAGALAND promises to consider the tender on this condition and the Bidder agrees to keep the tender open for the required period. The reciprocal promises form the consideration for this separate initial contract between the parties.
2. Therefore, we _______________ registered under the laws of ____________having head/registered office at ____________________________ (hereinafter referred to as the “Bank” which expression shall unless repugnant to the context or meaning thereof, include all its successors, administrator and executors hereby issue this irrevocable and unconditional bank guarantee and undertake to pay immediately on first demand in writing all monies to the extent of Rs._________________________ lakhs (Rupees __________________________) only per helicopter at any time immediately on such demand without any demur, reservation, recourse, context or protest and/or without any reference to the Bidder and any such demand made by GOVT OF NAGALAND on the Bank shall be conclusive and binding notwithstanding any difference between GOVT OF NAGALAND 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 the guarantee herein contained shall be irrevocable unless it is discharged earlier by GOVT OF NAGALAND in writing. This guarantee shall not be determined/discharged/affected by the liquidation winding up dissolution, or insolvency of the Bidder and will remain valid, binding and operative against the bank.

3. The Bank also undertakes that GOVT OF NAGALAND at its option shall be entitled to enforce this Guarantee against the Banks a principal debtor, in the first instance, without proceeding against the Bidder.

4. The Bank further agree that as between the Bank and GOVT OF NAGALAND for the purpose of this guarantee any notice for the breach of the condition contained in IOB and other terms and conditions contained in the Tender documents as referred above, given to the Bank by GOVT OF NAGALAND SHALL BE CONCLUSIVE AND BINDING ON Bank without any proof notwithstanding any other matter of difference or dispute whatsoever. We further agree that this guarantee shall not be affected by any change in our constitution, in the constitution of GOVT OF NAGALAND or that of the Bidder. We also undertake not to revoke in any case this guarantee during its currency.

5. The Bank agrees with the GOVT OF NAGALAND that GOVT OF NAGALAND SHALL have the fullest liberty without our consent and without affecting in any manner our obligation 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 for any forbearance, act of omission and commission on the part of GOVT OF NAGALAND or by reason of any such variation or extension for the validity period or indulgence shown by GOVT OF NAGALAND 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.

6. Notwithstanding anything contained herein above our liability under this guarantee is limited to Rs.__________________ lakhs (Rupees ________________________) only per helicopter in aggregate and it shall remain in full force up to and including two months after ________ unless extended further from time to time for the period as may be instructed in writing by M/S __________________________ on whose behalf this Guarantee has been given in which case it shall remain in full force up to and including two months after the expiry of extended period. Any claim under this Guarantee must be given in which case it shall remain in full force up to and including one month after the expiry of extended period.
Any claim under this Guarantee must be received by us before the expiry of two months from ___________ or before the expiry of two months after the expiry of extended period, if any. If no such claim has been received by us within two months after the said date/extended date, the rights of GOVT OF NAGALAND under this Guarantee will cease subject to para 7. However, if such a claim has been received by us within and up to two months after the said date/extended date, all rights of GOVT OF NAGALAND under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

7. In case contract is awarded to the Bidder (hereinafter referred to a Bidder) the validity of this Bank Guarantee will stand automatically extended until the Bidder furnishes to GOVT OF NAGALAND a Bank Guarantee for 10% of contract value towards performance guarantee for satisfactory performance of the contract. In case failure to furnish performance bank in the format prescribed by GOVT OF NAGALAND by required date, the claim must be submitted to us within 60 days after the last date of validity period or extended period, if no such claim has been received by us within 60 days as after the said date/extended date, all the rights of GOVT OF NAGALAND under the Guarantee will cease. However, if such a claim has been received by us within and up to 60 days after the said date /extended date, all the rights of GOVT OF NAGALAND under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

8. The Bank confirms that this has been issued with the approval of appropriate Exchange Control Authority in ______________ and any other (indicate the name of the country of issue of Guarantee) authority if required as per the laws of the country of issue of Guarantee.

We also agree that this Guarantee shall be governed 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 where of the Bank, through its authorized officers has set its hand and stamp on this ___________ day of ___________ 200 ________

Signature
(FULL NAME IN CAPITAL LETTERS)

WITNESS NO. 1
Signature
(full name and address in Capital letters)
Designation with Bank Stamp

WITNESS NO. 2
Signature
(Full name and address in capital letters) Attorney as per power

No.

Date