

**Proforma for the Bank Guarantee for Earnest Money Deposit
(To be stamped)**

Bank Guarantee No. :

Date :

Period of Bank Guarantee : Valid upto

Amount of Bank Guarantee : Rs

THIS DEED OF GUARANTEE executed at Mumbai on this _____ day of _____ 2009 by _____ a banking company constituted under the _____ Act, having its Head Office at _____ (hereinafter referred to as ‘the Guarantor’, which expression shall, unless repugnant to the context or meaning, include its successors and assigns).

IN FAVOUR OF

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT, a body corporate established under the National Bank for Agriculture and Rural Development Act 1981, having its Head Office at Plot No. C-24, ‘G’ Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 (hereinafter referred to as ‘NABARD’ which expression shall, unless repugnant to the context or meaning, include its successors and assigns).

in respect of the obligations of

the “[_____]” (hereinafter referred to as “**the Constituent**” which expression shall be deemed to mean and include its successors in interest and permitted assigns) arising under, out of or in relation to the submission of the tender for setting up the [*].

WHEREAS

1. NABARD is desirous of setting up the [*] in 34 locations of NABARD. Accordingly, NABARD has issued a tender document (“**Tender Document**”) inviting tenders for setting up the [*] in 34 locations of NABARD as per the list given in the Tender document.

2. It is one of the terms of the Tender Document that all persons submitting tenders in response to the Tender Document must furnish to NABARD an earnest money deposit (“**EMD**”) of R.[_____] or an irrevocable bank guarantee for a sum of Rs. ____/- (Rupees _____ only) (“**the Bank Guarantee Amount**”) from a Nationalised / Scheduled Bank against withdrawing the tender offer for setting up the [*] in NABARD (“**the Bank Guarantee**”). The irrevocable Bank Guarantee would be valid for a duration of 180 days from [_____].

3. The Constituent has on [_____] submitted its tender to NABARD in response to the Tender Document. Instead of submitting the EMD, the Constituent has requested the Guarantor to submit the Bank Guarantee and the Guarantor has agreed to do so in the manner hereinafter appearing.

NOW THEREFORE THIS DEED OF GUARANTEE
WITNESSETH THAT

In consideration of the Constituent requesting the Guarantor to issue a Bank Guarantee, the Guarantor guarantees as primary obligor and not merely as surety, to NABARD to unconditionally and irrevocably pay on demand by NABARD and as per NABARD's instructions the Bank Guarantee Amount to NABARD.

THE GUARANTOR HEREBY FURTHER COVENANTS THAT

4. The guarantor shall pay the Bank Guarantee Amount to NABARD on demand in writing by NABARD without reference to the Constituent and notwithstanding any dispute or difference that may exist or arise between the NABARD and the Constituent.

5. That this guarantee shall be a continuing guarantee and shall not be revoked by the Guarantor without prior consent in writing of NABARD. The Guarantor irrevocably and unconditionally undertakes to act only upon a notice of demand of NABARD.

6. The decision of NABARD on the invocation of this Guarantee shall be final and binding on the Guarantor and shall not be disputed by the Guarantor inside or outside the court, tribunal, arbitration or other authority.

7. The notice of demand in writing issued by NABARD shall be conclusive proof as regards the amount due and payable to NABARD under this Guarantee and it shall not be disputed by the Guarantor either insider or outside the court, tribunal or arbitration or other authority. The payment to be made by the Guarantor hereunder shall be made in immediately available funds without set-off, counterclaim, deduction or retention of any kind by payment into such account as stipulated by NABARD in the notice of demand.

8. Any neglect or forbearance on the part of NABARD in enforcing any of the terms and conditions of the Tender Document or any indulgence shown by NABARD to the Constituent or any variation in the Tender Document made by mutual agreement between NABARD and the Constituent or any other act or deed on the part of NABARD which, but for this clause, may have the effect of discharging the Guarantor under the law relating to the guarantees shall not discharge the Guarantor from its obligations

herein and the Guarantor shall be discharged only on the expiry of 180 days from [_____].

9. This guarantee shall not be affected by any infirmity or absence or irregularity in or any change in the constitution or dissolution of the Constituent.

10. It shall not be necessary for NABARD to exhaust its remedies against the Constituent before invoking this Guarantee and the Guarantee herein contained shall be enforceable against the Guarantor notwithstanding any other security which the NABARD may have obtained or may obtain from the Constituent, may at the time when this Guarantee is invoked be outstanding and unrealised. The Guarantor waives any right it may have of first requiring NABARD to proceed against or enforce any other rights or security or claim payment from any person (including the Constituent) before claiming from the Guarantor under this Guarantee. This waiver applies irrespective of any law or any provision of the Tender Document or any related documents to the contrary.

11. The guarantor hereby agrees that this guarantee shall be valid and be in force for a period of 180 days from [_____] and, notwithstanding anything to the contrary contained herein or in the Tender Document, the Guarantor hereby unconditionally agrees to renew this Guarantee at the request of NABARD for such further period as may be determined by NABARD in the event of the work of processing the tenders and awarding the job to a vendor is not completed within the period of time currently envisaged in the Tender Document.

IN WITNESS WHEREOF the within named guarantor has caused these presents to be executed on its behalf by the hand of its duly authorised official on the date and the place first hereinabove written.

Signed and Delivered for
and on behalf of
(Bank), the guarantor herein by the
hand of Shri _____
its duly authorised official

* MPLS Network / Video Conferencing facility