

SECTION 8
SECURITIES AND OTHER FORMS
(to be filled by Bidder/Employer)

BID SECURITY (BANK GUARANTEE UNCONDITIONAL)

WHEREAS, _____ [name of Bidder] (hereinafter called "the Bidder") has submitted his Bid dated _____ [date] for the construction of _____ [name of Contract hereinafter called "the Bid"].

KNOW ALL PEOPLE by these presents that We _____ [name of Bank] of _____ [name of country] having our registered office at _____ (hereinafter called "the Bank") are bound unto _____ [name of Employer] (hereinafter called "the Employer") in the sum of _____ *for which payment well and truly to be made to the said Employer by the Bank itself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this _____ day of _____, 20____.

THE CONDITIONS of this obligation are :

- (1) If after Bid opening the Bidder withdraws his bid during the period of Bid validity specified in the Form of Bid;

OR

- (2) If the Bidder having been notified to the acceptance of his bid by the Employer during the period of Bid validity :
- (a) fails or refuses to execute the Form of Agreement in accordance with the Instructions to Bidders, if required; or
 - (b) fails or refuses to furnish the Performance Security, in accordance with the Instruction to Bidders; or
 - (c) does not accept the correction of the Bid Price pursuant to Concerned Clause.

We undertake to pay to the Employer up to the above amount upon receipt of his first written demand, without the Employer having to substantiate his demand, provided that in his demand the Employer will note that the amount claimed by him as due to him owing to the occurrence of one or any of the three conditions, (specifying the occurred condition or conditions).

This Guarantee will remain in force up to and including the date _____** days after the deadline for submission of Bids as such deadline is stated in the Instructions to Bidders or as it may be extended by the Employer, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this guarantee should reach the Bank not later than the above date.

DATE _____

SIGNATURE

WITNESS _____

SEAL

[Signature, name and address]

* The Bidder should insert the amount of the guarantee in words and figures denominated in Indian Rupees. This figure should be the same as shown in Clause 16.1 of the Instructions to Bidders.

** 45 days after the end of the validity period of the Bid. Date should be inserted by the Employer before the Bidding documents are issued.

PERFORMANCE BANK GUARANTEE

To

_____ [name of Employer]

_____ [address of Employer]

WHEREAS _____ [name and address of Contractor] (hereafter called "the Contractor") has undertaken, in pursuance of Contract No. _____ dated _____ to execute _____ [name of Contract and brief description of Works] (hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligation in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee :

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you on behalf of the Contractor, up to a total of _____ [amount of guarantee]* _____ (in words), such sum being payable in the types and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of _____ [amount of guarantee] as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed there under or of any of the Contract documents which may be made between your and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid until 28 days from the date of expiry of the Defect Liability Period.

Signature and Seal of the guarantor _____
Name of Bank _____
Address _____
Date _____

*An amount shall be inserted by the Guarantor, representing the percentage the Contract Price specified in the Contract including additional security for unbalanced Bids, if any and denominated in Indian Rupees.

UNCONDITIONAL BANK GUARANTEE FOR ADVANCE PAYMENT

To

_____ [name of Employer]
_____ [address of Employer]
_____ [name of Contractor]

Gentlemen :

In accordance with the provisions of the Conditions of Contract, sub-clause 51.1 ("Advance payment") of the above-mentioned Contract, _____ [name and address of Contractor] (hereinafter called "the Contractor") shall deposit with _____ [name of Employer] a bank guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of _____ [amount of Guarantee]* _____ [in words].

We, the _____ [bank of financial institution], as instructed by the Contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to _____ [name of Employer] on his first demand without whatsoever right of obligation on our part and without his first claim to the Contractor, in the amount not exceeding _____ [amount of guarantee]* _____ [in words].

We further agree that no change or addition to or other modification of the terms of the Contractor or Works to be performed there under or any of the Contract documents which may be made between _____ [name of Employer] and the Contractor, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall remain valid and in full effect from the date of the advance payment under the Contract until _____ [name of Employer] receives full repayment of the same amount from the Contractor.

Yours truly,

Signature and Seal : _____

Name of Bank / Financial Institution _____

Address : _____

Date : _____

* An amount shall be inserted by the Bank or Financial Institution representing the amount of the Advance Payment, and denominated in Indian Rupees.

INDENTURE FOR SECURED ADVANCES

FORM 31

(for use in case in which the contract is for finished work and the contractor has entered into an agreement for the execution of a certain specified quantity of work in a given time)

This indenture made the _____ day of _____,
20____ BETWEEN _____ (hereinafter called the contractor
which expression shall where the context so admits or implies be deemed to include his
executors, administrators and assigns) or the one part and the Employer of the other part.

Whereas by an agreement dated _____ (hereinafter called
the said agreement) the contractor has agreed.

AND WHEREAS the contractor has applied to the Employer that he may be allowed
advance on the security of materials absolutely belonging to him and brought by him to
the site of the works the subject of the said agreement for use in the construction of such
of the works as he has undertaken to execute at rates fixed for the finished work (inclusive
of the cost of materials and labour and other charges)

AND WHEREAS the Employer has agreed to advance to the Contractor the sum of
Rupees _____ on the
security of materials the quantities and other particulars of which are detailed in Accounts
of Secured Advances attached to the Running Account bill for the said works signed by
the Contractor on _____ and the Employer has reserved to himself the option of
making any further advance or advances on the security of other materials brought by the
Contractor to the site of the said works.

Now THIS INDENTURE WITNESSETH that in pursuance of the said agreement and
in consideration of the sum of Rupees _____ on or before the
execution of these presents paid to the Contractor by the Employer (the receipt where of
the Contractor doth hereby acknowledge) and of such further advances (if any) as may be
made to him as a for said the Contractor doth hereby covenant and agree with the
President and declare as follows :

- (1) That the said sum of Rupees _____ so advanced by the
Employer to the Contractor as aforesaid and all or any further sum of sums
advanced as aforesaid shall be employed by the Contractor in or towards
expending the execution of the said works and for no other purpose whatsoever.
- (2) That the materials details in the said Account of Secured Advances which have
been offered to and accepted by the Employer as security are absolutely the
Contractor's own propriety and free from encumbrances of any kind and the
contractor will not make any application for or receive a further advance on the
security of materials which are not absolutely his own property and free from
encumbrances of any kind and the Contractor indemnified the Employer against all
claims to any materials in respect of which an advance has be made to him as
aforesaid.
- (3) That the materials detailed in the said account of Secured Advances and all other
materials on the security of which any further advance or advances may hereafter
be made as aforesaid (hereafter called the said materials) shall be used by the
Contractor solely in the Execution of the said works in accordance with the
directions of the Engineer.

- (4) That the Contractor shall make at his own cost all necessary and adequate arrangements for the proper watch, safe custody and protection against all risks of the said materials and that until used in construction as aforesaid the said materials shall remain at the site of the said works in the Contractor's custody and on his own responsibility and shall at all times be open to inspection by the Engineer or any officer authorized by him. In the event of the said materials or any part thereof being stolen, destroyed or damaged or becoming deteriorated in a greater degree than is due to reasonable use and wear thereof the Contractor will forthwith replace the same with other materials of like quality or repair and make good the same required by the Engineer.
- (5) That the said materials shall not be any account be removed from the site of the said works except with the written permission of the Engineer or an officer authorized by him on that behalf.
- (6) That the advances shall be repayable in full when or before the Contractor receives payment from the Employer of the price payable to him for the said works under the terms and provisions of the said agreement. Provided that if any intermediate payments are made to the Contractor on account of work done than on the occasion of each such payment the Employer will be at liberty to made recovery from the Contractor's bill for such payment by deducting there from the value of the said materials that actually used in the construction and in respect of which recovery has not been made previously, the value for this purpose being determined in respect of each description of materials at the rates at which the amounts of the advances made under these presents were calculated.
- (7) That if the Contractor shall at any time make any default in the performance or observance in any respect of any of the terms and provisions of the said agreement or of these presents the total amount of the advance or advances that may still be owing of the Employer shall immediately on the happening of such default be repayable by the Contractor to be the Employer together with interest thereon at twelve per cent per annum from the date or respective dates of such advance or advances to the date of repayment and with all costs, charges, damages and expenses incurred by the Employer in or for the recovery thereof or the enforcement of this security or otherwise by reason of the default of the Contractor and the Contractor hereby covenants and agrees with the Employer to reply and pay the same respectively to him accordingly.
- (8) That the Contractor hereby charges all the said materials with the repayment to the Employer of the said sum of Rupees _____ and any further sum of sums advanced as aforesaid and all costs, charges, damages and expenses payable under these presents PROVIDED ALWAYS and it is hereby agreed and declared that notwithstanding anything in the said agreement and without prejudice to the power contained therein if and whenever the covenant for payment and repayment here in before contained shall become enforceable and the money owing shall not be paid in accordance there with the Employer may at by time thereafter adopt all or any of the following courses as he may deem best :
- (a) Seize and utilise the said materials or any part thereof in the completion of the said works on behalf of the contractor in accordance with the provisions in that behalf contained in the said agreement debiting the contractor with the actual cost of effecting such completion and the amount due to the contractor with the value of work done as if he has carried it out in

accordance with the said agreement and at the rests thereby provided. If the balance is against the contractor, he is to pay same to the Employer on demand.

- (b) Remove and sell by public auction the seized materials or any part there of and out of the moneys arising from the sale retain all the sums aforesaid repayable or payable to the Employer under these presents and pay over the surplus (if any) to the Contractor.
 - (c) Deduct all or any part of the moneys owing out of the security deposit or any sum due to the Contractor under the said agreement.
- (9) That except in the event of such default on the part of the contractor as aforesaid interest on the said advance shall not be payable.
- (10) That in the event of any conflict between the provisions of these present and the said agreement the provisions of these presents shall prevail and in the event of any dispute or difference arising over the construction or effect of these presents the settlement of which has not been here-in-before expressly provided for the same shall be referred to the Employer whose decision shall be final and the provision of the Indian Arbitration Act for the time being in force shall apply to any such reference.

Letter of Acceptance
(Letterhead paper of the Employer)

(Date)

To

(Name and address of the Contractor)

Dear Sirs,

This is to notify you that your Bid dated _____ for execution of the

(name of the contract and
identification number, as given in the Instructions to Bidders) for the Contract Price of
Rupees _____ (_____) (amount
in words and figures), as corrected and modified in accordance with the Instructions to
Bidders is hereby accepted by our agency.

We accept/ do not accept that _____ be appointed as the
Adjudicator. You are hereby requested to furnish Performance Security, in the form
detailed in Para 34.1 of ITB for an amount equivalent to Rs. _____ within 21 days of
the receipt of this letter of acceptance valid up to 28 days from the date of expiry of defects
Liability Period i.e. up to _____ and sign the contract, failing which
action as stated in Para 34.3 of ITB will be taken.

Yours faithfully,

Authorized Signature

Name and title of Signatory

Name of Agency

¹ Delete "corrected and" or "and modified" if only one of these actions applies. Delete as corrected and modified in accordance with the Instructions to Bidders, if corrections or modifications have not been affected.

² To be used only if the Contractor disagrees in his Bid with the Adjudicator proposed by the Employer in the "Instructions to Bidders".

Issue of Notice to proceed with the work

(Letterhead of the Employer)

_____ (Date)

To

_____ (Name and address of the Contractor)

Dear Sirs,

Pursuant to your furnishing the requisite security as stipulated in ITB Clause 34.1 and signing of the Contract for the construction of _____

_____ at Bid
Price of Rs. _____.

You are hereby instructed to proceed with the execution of the said works in accordance with the contract documents.

Yours faithfully,

(Signature, name and title of signatory authorized
to sign on behalf of Employer)

Agreement Form

Agreement

This agreement, made the _____ day of _____ between
(name and address of Employer) [hereinafter called "the
(name and address of contractor) hereinafter called "the Contractor" of the other part.]

Whereas the Employer is desirous that the Contractor execute

(name and identification number of Contract) (hereinafter called "the Works") and the
Employer has accepted the Bid by the Contractor for the execution and completion of such
works and the remedying of any defects therein, at a cost of Rs. _____

NOW THIS AGREEMENT WITNESSETH as follows :

1. In this Agreement, words and expression shall have the same meanings as are
respectively assigned to them in the conditions of contract hereinafter referred to and they
shall be deemed to form and be read and construed as part of this Agreement.

2. In consideration of the payments to be made by the Employer to the Contractor as
hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and
complete the Works and remedy any defects therein in conformity in all aspects with the
provisions of the contract.

3. The Employer hereby covenants to pay the Contractor in consideration of the
Execution and completion of the Works and the remedying the defects wherein Contract
Price or such other sum as may become payable under the provisions of the Contract at
the times and in the manner prescribed by the Contract.

4. The following documents shall be deemed to form and be ready and construed as
part of this Agreement viz.

- (i) Letter of Acceptance
- (ii) Notice to proceed with the works;
- (iii) Contractor's Bid
- (iv) Condition of Contract : General and Special
- (v) Contract Data
- (vi) Additional condition
- (vii) Drawings
- (viii) Bill of Quantities and
- (ix) Any other documents listed in the Contract Data as forming part of the
Contract.

In witnessed whereof the parties there to have caused this Agreement to be executed the day and year first before written.

The Common Seal of _____
was hereunto affixed in the presence of :

Signed, Sealed and Delivered by the said _____

in the presence of :

Binding Signature of Employer _____

Binding Signature of Contractor _____

UNDERTAKING

I, the undersigned do hereby undertake that our firm M/s _____
_____ agree to abide by this bid for a period _____ days for the
date fixed for receiving the same and it shall be binding on us and may be accepted at any
time before the expiration of that period.

(Signed by an Authorised Officer of the Firm)

Title of Officer

Name of Firm

DATE