

**Annexure 1: Format for Proposal Security (Bank Guarantee)**

**PROPOSAL SECURITY FORMAT**

**UNCONDITIONAL AND IRREVOCABLE BANK GUARANTEE**

**Bank Guarantee No.:** \_\_\_\_\_ **Dated:** \_\_\_\_\_

**Issuer of Bank Guarantee :**

\_\_\_\_\_ (Name of the Bank)

\_\_\_\_\_  
(hereinafter referred to as the “Bank”)

**Beneficiary of Bank Guarantee:**

Punjab Infrastructure Development Board (PIDB)

on behalf of  
Govt. of Punjab

**Nature of Bank Guarantee:**

Unconditional and irrevocable Bank Guarantee.

**Context of Bank Guarantee:**

In pursuance of Article \_\_\_\_ of Section 2 of the Request for Proposal Document dated \_\_\_\_ (hereinafter referred to as the “RFP”) inclusive of Agreement between Punjab Infrastructure Development Board (“hereinafter referred to as “PIDB ”) and \_\_\_\_\_ (hereinafter referred to as the “Bidder”) for **Preparing Vision Document for Infrastructure Development in Punjab and Revenue Augmentation Strategy for PIDB** (hereinafter referred to as the “Project”), provided however, such context of the Bank Guarantee or reference to the Agreement in this Bank Guarantee shall in no manner to relied upon at any stage to adversely affect or dilute the unconditional and irrevocable nature of this Bank Guarantee.

**Operative part of the Bank Guarantee:**

1. At the request of the PIDB, we \_\_\_\_\_, \_\_\_\_\_ (name and address of the bank), (hereinafter referred to as the “Bank”), do hereby unconditionally and irrevocably affirm and undertake that we are the Guarantor and are responsible to the PIDB i.e. the beneficiary on behalf of the Bidder, up to a total sum of **Rs. \_\_\_ Lakhs (Rupees \_\_\_ Lakhs Only)**, such sum being payable by us to the PIDB immediately upon receipt of first written demand from PIDB.
2. We unconditionally and irrevocably undertake to pay to the PIDB on an immediate basis, upon receipt of first written demand from the PIDB and without any cavil or argument or delaying tactics or reference by us to Bidder and without any need for the PIDB to convey to us any reasons for invocation of the Guarantee or to prove the failure on the part of the Bidder to repay

the amount of \_\_\_\_\_ or to show grounds or reasons for the demand or the sum specified therein, the entire sum or sums within the limits of Rs. \_\_\_\_ Lakhs (Rupees \_\_\_\_\_ Lakhs Only).

3. We hereby waive the necessity of the PIDB demanding the said amount from Bidder prior to serving the Demand Notice upon us.
4. We further agree and affirm that no change or addition to or other modification to the terms of the Agreement, shall in any way release us from any liability under this unconditional and irrevocable Guarantee and we hereby waive notice of any such change, addition or modification. We further agree with the PIDB that the PIDB shall be the sole and the exclusive judge to determine that whether or not any sum or sums are due and payable to him by the Bidder, which are recoverable by the PIDB by invocation of this Guarantee.
5. This Guarantee will not be discharged due to the change in constitution of the Bank or the Bidder. We undertake not to withdraw or revoke this Guarantee during its currency/ validity period, except with the previous written consent of the PIDB.
6. We unconditionally and irrevocably undertake to pay to the PIDB, any amount so demanded not exceeding Rs. \_\_\_\_ Lakhs (Rupees \_\_\_\_\_ Lakhs Only), notwithstanding any dispute or disputes raised by Bidder or anyone else in any suit or proceedings before any dispute review expert, arbitrator, court, tribunal or other authority, our liability under this Guarantee being absolute, unconditional and unequivocal. The payment so made by us under this Guarantee to the PIDB, shall be a valid discharge of our liability for payment under this Guarantee and the Bidder shall have no claim against us for making such payment.
7. This unconditional and irrevocable Guarantee shall remain in full force and effect and shall remain valid until \_\_\_\_\_ (180 days from the proposal due date).

Notwithstanding any contained herein:

1. Our liability under this Bank Guarantee shall not exceed Indian Rs. \_\_\_\_ Lakhs (Rupees \_\_\_\_\_ Lakhs Only).
2. This unconditional and irrevocable Bank Guarantee shall be valid w.e.f. \_\_\_\_\_ (Date of Submission of Bid) to \_\_\_\_\_(180 days from the proposal due date).

We are liable to pay the guaranteed amount or any part thereof under this unconditional and irrevocable Bank Guarantee only and only if Punjab Infrastructure Development Board (PIDB), serves upon us a written claim or demand on or before \_\_\_\_\_.

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Authorized Signatory  
For Bank