

E-5
June -23

**PROCUREMENT OF GOODS
UNDER
NATIONAL SHOPPING PROCEDURES**

FOR

***TRACTOR - 58 HP (2 WD) FOR KI-VISION AGRO FARMER
PRODUCER COMPANY LIMITED AT DEOLA,
TAL-DEOLA, DIST – NASHIK - 423102***

UNDER

Hon. Balasaheb Thackeray Agribusiness Rural Transformation (SMART) Project

TENDER NOTICE

Hon. Balasaheb Thackeray Agri-business & Rural Transformation Project (SMART)

Govt. of Maharashtra is implementing World Bank assisted Hon. Balasaheb Thackeray Agribusiness And Rural Transformation (SMART) Project for developing Agriculture Commodity value chains. *KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA, TAL-DEOLA, DIST - NASHIK* is one of the beneficiaries under the project and inviting bids for the following goods.

Name of Goods	TRACTOR - 58 HP (2 WD)
Tender Fee Amount in Rs.	Rs. 590/- (Rs.500 + GST 18%)
EMD	To be submitted in the form of Bid Security Declaration
Sale of RFQ document / download RFQ document from website start date and time	From 27/7/2023 To 10/8/2023 up to 05.00 PM
Pre. Bid meeting Date , Time & Address	04/08/2023 at 12.00 PM
Last Date & Time for submission of bid	10/8/2023 up to 05.00 PM
Date and Time of Opening of technical bid	11/8/2023 at 11.00 AM

Bid document is available at the following office address and also on project website <https://www.smart-mh.org>. For further any updates / notices shall be published on project website only.

President Procurement Committee

(BHAUSAHEB NIMBA PAGAR)

*KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA,
TAL-DEOLA, DIST - NASHIK*

MOB NO - 9921929214 / EMAIL ID - kivisionagrolimited@gmail.com

**INVITATION FOR QUOTATIONS
FOR SUPPLY OF TRACTOR – 58 HP (2 WD)**

Date: 27/7/2023

RFQ No.: SMART/KI-VISION FPC/Good/130/2023-24

To

Dear Sirs,

Sub: Invitation For Quotations for Supply and Installation of
TRACTOR – 58 HP (2 WD)

Dear Sirs,

- 1) Government of Maharashtra is implementing World Bank assisted Hon. Balasaheb Thackeray Agribusiness And Rural Transformation (SMART) Project for development of Value Chain of Various Commodities in the State.
- 2) The SMART Project is being implemented by various Project Implementation Units. *PIU AGRICULTURE, GOVERNMENT OF MAHARASHTRA* is one of the implementing unit of SMART Project. *KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA, TAL-DEOLA, DIST – NASHIK* is one of the beneficiary of *PIU AGRICULTURE, GOVERNMENT OF MAHARASHTRA* under the SMART project.
- 3) *KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA, TAL-DEOLA, DIST – NASHIK* (hereinafter referred to as Purchaser) is inviting quotation for the following supply and installation of goods under the SMART Project.
- 4) You are invited to submit your most competitive quotation for the following goods

Sr. No.	Brief Description Of the Goods	*Specifications	Quantity in Nos
1	TRACTOR	58 HP (2 WD)	01

** Where ISI certification marked goods are available in market, procurement should generally be limited to goods with those or equivalent marking only. If any specific brand/model number is mentioned in the specification in such case other equivalent brand/ model no is acceptable to the purchaser separate sheet need for specificaiton*

- 5) You are requested to provide your offer latest by 05.00 pm on 10/08/2023.
- 6) Technical bid will be opened in the presence of Bidders or their representatives who choose to attend at 11.00 am on 11/8/2023 in the office of *KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA, TAL-DEOLA, DIST – NASHIK*
- 7) We look forward to receiving your quotations and thank you for your interest in this project.

President Procurement Committee

(BHAUSAHEB NIMBA PAGAR)

*KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA,
TAL-DEOLA, DIST – NASHIK*

MOB NO – 9921929214 / EMAIL ID – kivisionagrolimited@gmail.com

Instructions to Bidders

1. Scope of Supply of Goods:

2. *KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA, TAL-DEOLA, DIST - NASHIK* invites quotations for supply of following goods

Sr. No.	Brief Description Of the Goods	Specifications	Quantity	Delivery Period	Place of Delivery	Installation Requirement if any
		As per annexure A				
1	TRACTOR	58 HP (2 WD)	01	01 MONTH	<i>KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA, TAL-DEOLA, DIST - NASHIK</i>	YES

3.

4. Qualification Criteria of bidder:

The bidder should fulfill following all qualification criteria;

a) Should have GST registration

b) Should have achieved in at least one year an annual financial turnover not less than **Rs. 17.14 Lakhs** @ in the last three years; years i.e. FY 2019-20, 2020-21, 2021-22.

c) Should have satisfactorily supplied & installed similar goods/Machinery/ equipment of value not less than **Rs. 6.85 Lakhs** in any one year during current and previous three financial years.

OR

Should have satisfactorily supplied & installed at least one unit of similar goods/Machinery/ equipment in any one year during current and previous three financial years.

d) Should not have been black listed, debarred or suspended on the date of bid opening by any of the Government organization, the World Bank Group.

5. Bid Price

a) The contract shall be for the full quantity/delivery as described above. Corrections, if any, shall be made by crossing out, initialing, dating and re writing.

b) All duties, taxes and other levies payable on the raw materials and components shall be included in the total price.

c) The price should inclusive of transportation, loading, unloading, installation etc.

d) GST in connection with the sale shall be shown separately.

e) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.

6. Validity of Quotation

Quotation shall remain valid for a period not less than 60 days after the deadline date specified for submission.

7. Tender Fee & Bid Security:

a) Tender Fee:

Bidding document may be purchased from the Employer office for a non-refundable fee as indicated. Bidder may also download bidding document from aforesaid website and submit bid document cost in the form of demand draft along with the bid. If bidder fails to submit the tender fee, the bid submitted by such bidder shall be rejected.

b) Bid Security :

- 1) Bidder should submit bid security declaration in the attached format. If bidder not submitted bid security declaration, the bid submitted by such bidder shall be rejected.
- 2) The Bid Security declaration shall be executed
 - a) if a bidder withdraws its bid prior to the expiry date of bid validity specified by the bidder on the letter of bid or any extended date provided by the bidder; or
 - b) During the bid process, if any information submitted found manipulated / hidden / false / mala fide in the bid
 - c) if the successful Bidder fails to
 - (i) sign the Contract or
 - (ii) furnish a Performance Security

8. Submission of bid:

- a) The bidder is advised to visit the site at his own expense and obtain all information that may be necessary for preparing the bid.
- b) Each bidder shall submit only one bid.
- c) Modification and Withdrawal of Bids – Resubmission of bid by the bidders for any number of times before the final date and time of submission is allowed.
- d) Bid shall comprise of the following 2 envelopes:
 - 1) **Envelope 1:** Technical bid
 - 2) **Envelope 2:** Financial /price bid

Note: The above both the envelopes are to be submitted in a separate sealed envelopes mentioning the technical bid and financial bid on top of the each envelop and bidders name at bottom of the envelop. Both these two envelopes shall be packed in a one outer envelope & seal it.

The sealed outer envelope will also bear the following identification: -

- Bid for - TRACTOR – 58 HP (2 WD)
- Bidder's name.....
- Bidder's address
- Bidder's contact number

1) Technical bid: (Envelop 1)

The bidder shall submit following documents in the technical envelope.

- a) Demand draft towards tender document fee if tender document downloaded from the website OR payment receipt if tender document purchased from the employer office.
- b) Details of technical documents submitted (in the attached form no 1)
- c) Bid security declaration (in the attached form no 2)
- d) The declaration that the bidder is not black listed/banned by any Government department/ Public Sector Undertaking/ Private Sector/ or any other agency (in the attached form no 3)

- e) Turn over certificate issued by the chartered Accountant for financial years i.e. years i.e. FY 2019-20, 2020-21,2021-22 or copy of ITRs or balance sheet (in the attached form no 4)
- f) Experience of the bidder in supplying similar item (in the attached form no 5)
- g) PAN Card copy
- h) GST registration certificate
- i) *Test report of offered goods/machinery /equipment issued by agriculture university/ICAR/any government organization authorized to issue test certificate/report.

2) Financial Bid: (Envelop 2)

The bidder shall quote for *all items in the attached quotation format only (Form no 6).

9. Bid opening and Evaluation process:

a) Opening of Envelop - A (Technical Bid)

The 'Technical Envelop' of bids will be publicly opened first in the presence procurement committee members and bidders' designated representatives and anyone who chooses to attend at the address on the date and time specified in the tender notice. In the event of the date specified for bid opening being declared as a closed holiday for the purchaser's office, the due date for opening of bids will be the following working day at the same time and venue.

b) Evaluation of Technical Bid

The evaluation of the technical bids will be carried out as per the eligibility criteria mentioned in the clause 2. The bidders fulfilling minimum eligibility criteria are declared technically qualified and eligible opening of the financial bid.

c) Opening of Envelop - 2 (Financial Bid)

Financial envelope of technically qualified bidders shall be opened in the presence procurement committee members and bidders' designated representatives on the date and time informed by the purchaser.

10. Evaluation of Financial bids/ Quotations

The Purchaser will evaluate and compare the quotations determined to be substantially responsive i.e. which

- a) are properly signed ;
- b) conform to the terms and conditions, and specifications.
- c) *The Quotations would be evaluated for the entire item together

11. Information relating to evaluation of bids and recommendations for the award of contract shall not be disclosed to bidders or any other persons not officially concerned with the process until the award to the successful bidder is announced.

12. Normal commercial warranty/ guarantee @ 12 Months shall be applicable to the supplied goods.

13. Award of contract:

- a) The Purchaser will award the contract to the bidder whose quotation has been determined to be substantially responsive and who has offered the lowest evaluated quotation price and who meets the specified qualification criteria.
- b) Notwithstanding the above, the Purchaser reserves the right to accept or reject any quotations and to cancel the bidding process and reject all quotations at any time prior to the award of contract.
- c) The bidder whose bid is accepted will be notified of the award of contract by the Purchaser prior to expiration of the quotation validity period.

Note: In case of a tie of evaluated cost between two or more bidders, discount Shall be taken from all the L1 bidders. In case there is still a tie, bidder with the maximum turnover shall be awarded contract

14. Purchaser's Right to Vary Quantities at Time of Award

At the time the Contract is awarded, the Purchaser reserves the right to increase or decrease the quantity of Goods and Related Services up to 10 % originally specified without any change in the unit prices or other terms and conditions of the Bid and the bidding document.

15. Performance Security:

Within 15 days of receiving letter of acceptance, the successful bidder shall deliver to the Purchaser the performance security in the form of Demand draft or unconditional bank guarantee in favor of the Purchaser for an amount equivalent of 5 % of the contract price.

The Performance Security will be discharged by the Purchaser and returned to the Supplier not later than twenty-eight (28) days following the date of Completion of the Supplier's performance obligations under the Contract including any warranty obligations.

16. Payment:

Payment will be made as under

- a) On Delivery & installation: 90% of the Contract Price will be made within 15 days after delivery and installation of the goods & duly certified by the authority appointed by the purchaser and upon receipt of tax invoice.
- b) Remaining 10% of the Contract Price will be paid after 1 month from the date of installation & commissioning and upon satisfactory performance of the goods.

17. If bidder not delivered & installed goods within the time, liquidated damage @ 0.5% per week shall be deducted from final payment.

18. Normal commercial warranty/ guarantee shall be applicable to the supplied goods.

We look forward to receiving your quotations and thank you for your interest in this project.

(Signature of President Procurement committee of CBO)

President Procurement Committee

(BHAUSAHEB NIMBA PAGAR)

KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA,

TAL-DEOLA, DIST - NASHIK

MOB NO - 9921929214 / EMAIL ID - kivisionagrolimited@gmail.com

Annexure-A

1) Technical Specifications of each item

“Summary of Technical Specifications. The Goods and Related Services shall comply with following Technical Specifications and Standards:

Item No	Name of Goods or Related Service	*Technical Specifications and Standards
01	TRACTOR	58 HP (2 WD)

** Where ISI certification marked goods are available in market, procurement should generally be limited to goods with those or equivalent marking only.*

Note: if any specific brand/model number is mentioned in the specification in such case other equivalent brand/ model no is acceptable to the purchaser

Following points to be considered while finalizing the tender document.

- 1) Essential spares of machinery like screens and other spares for the smooth functioning of the plant for one year of operation should be supplied.
- 2) Tools required for the maintenance of machinery should be supplied
- 3) Appropriate guard for all open drives should be provided for safety
- 4) The individual machinery should be supplied with an electrical motor and matching starter
- 5) Provision for starting/ stopping the individual machine of the line should be made available
- 6) The electrical motor supplied should be from reputed manufacturers having an efficiency of 80% and above
- 7) Control panel for the entire plant should be provided along with indicator lamps and Voltage
- 8) The charges for wiring the individual machinery with necessary and regulatory safety features should be included in the scope of the supply.
- 9) The AMC for the entire plant (after the warranty period) may be indicated
- 10) Please mention the area required for each line and arrange to provide layout drawing accordingly.
- 11) Machine is fitted with a Suitable Feed Hopper with a Feed Control device.
- 12) For silent & smooth operation of the machine reduction Gear box drive is fitted.
- 13) All the shafts are made of high - Grade Steel.
- 14) All the electric motors, electric control panel, all platforms, machine accessories, power transmission mechanism, etc. of standard material and size should be provided.
- 15) Before submitting the bid, bidder should visit the site.
- 16) Plant and machinery should have tested by the authorized testing center of the appropriate authority / agency, preferably government of India.

2. Inspections and Tests

The following inspections and tests shall be performed:

- 1) Inspection of each Machine and their accessories done by expert appointed by employer
- 2) Testing of Capacity of Machine and their accessories
- 3) Step to step training of final product operation of each machine and accessories
- 4) Final product testing done through expert appointed by employer
- 5) Test report issued by agriculture university/ICAR/any government organization authorized to issue test certificate/report.

Details of technical documents submitted

(On bidder's letter head)

Sr. No.	List of documents to be submitted	Document page No
1	Tender fee receipt	
2	Bid security declaration (Form no 2)	
3	The declaration that the bidder is not black listed/banned by any Government department/ Public Sector Undertaking/ Private Sector/ or any other agency (form no 3)	
4	Turn over certificate issued by the chartered Accountant for financial years i.e. years i.e. FY 2019-20, 2020-21, 2021-22 (Form No 4) or copy of ITRs or balance sheet	
5	Details of experience in supply of similar goods (Form No 5) along with the relevant documents	
6	GST registration certificate	

Signature

Name of Authorized Signatory.....

Bidder's Office Seal

Note: Bidders should submit this form along with all above mentioned required documents. Each document should be numbered. Purchaser reserves the right to reject the bid if any of the required documents are not submitted by the bidder along with the bid.

FORMAT OF DECLARATION IN LIEU OF EMD/BID SECURITY
(To be submitted on the Bidder's Letter Head)

Date: *[insert date]*

Tender Ref No.: *[insert number]*

To:

President Procurement Committee

(BHAUSAHEB NIMBA PAGAR)

KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA,

TAL-DEOLA, DIST - NASHIK MOB NO - 9921929214 / EMAIL ID - kivisionagrolimited@gmail.com

We, the undersigned, declare that:

We understand that, according to your conditions, quotation must be supported by a Bid-Securing Declaration.

We accept that we will automatically be suspended from being eligible for bidding in any contract with any CBO or project implementing unit under SMART or various offices under various Government organization / World Bank funded Projects for the period of time of 3 years starting from opening of the financial bids, if we are in breach of our obligation(s) under the bid conditions, because we:

- (a) have withdrawn our Bid during the period of bid validity or
- (b) having been notified of the acceptance of our Bid by the purchaser during the period of bid validity, (i) fail or refuse to execute the Contract, if required, or (ii) fail or refuse to furnish the Performance Security in accordance with the clauses of Request for Quotations/Bids.

We understand this Bid-Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of (i) our receipt of your notification to us of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of our Bid.

Signed: *[insert signature of person whose name and capacity are shown]* In the capacity of *[insert legal capacity of person signing the Bid-Securing Declaration]*

Name: *[insert complete name of person signing the Bid-Securing Declaration]*

Duly authorized to sign the bid for and on behalf of: *[insert complete name of Bidder]*

Dated on day of , *[insert date of signing]*

Corporate Seal (where appropriate)

Note: In case of a Joint Venture, the Bid-Securing Declaration must be in the name of all partners to the Joint Venture that submits the bid.]

FORMAT OF SELF DECLARATION WITH REGARD TO BLACKLISTING/ NON- DEBARMENT,
BY ORGANISATION
(To be submitted on the Bidder's Letter Head)

Date: *[insert date]*

Tender Ref No.: *[insert number]*

To:

President Procurement Committee

(BHAUSAHEB NIMBA PAGAR)

KI-VISION AGRO FARMER PRODUCER COMPANY LIMITED AT DEOLA,

TAL-DEOLA, DIST - NASHIK MOB NO - 9921929214 / EMAIL ID - kivisionagrolimited@gmail.com

We hereby confirm and declare that we, M/s -----,
is not blacklisted/ De-registered/ debarred by any Government department /Public Sector
Undertaking/ Private Sector/ or any other agency for which we have Executed/ Undertaken the
supply goods/ works/ Services during the last 3 years.

Signature

Name of Authorized Signatory.....

Office Seal

Date:

**TURNOVER CERTIFICATE ISSUED BY CHARTERED ACCOUNTANT FIRM
(on CA's letter head)**

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s. (name of bidder) is having registered office at (detailed office address). The turnover of the (name of firm) for the following financial years based on the audited financial Statement is as under.

Sr. No.	Financial Year	Turnover in lakhs
1		
2		
3		
4		
5		

The above information/figures are true and authentic to the best of my knowledge and belief. I/we am/ are well aware of the fact that furnishing of any false information/fabricated document would lead to rejection of bid or at any stage, besides liabilities towards prosecution under appropriate law.

Signature of the Chartered Accountant

Name of the Firm

Registration No.

Date:

Place:

(Seal of the Chartered Accountant)

Email id:

UDIN:

Note:

1. *Turnover certificate without UDIN shall be rejected.*
2. *Turnover from unaudited financial statement shall not be considered*

Experience of the bidder in supplying similar item

Sr. No	Name and Address of Client	Name of Item supplied	Quantity of item supplied	Supply/ Work Order Date	Supply/ Work order Value in Rs.	Supply/ Delivery Completion date
1						
2						
3						

Signature

Name of Authorized Signatory.....

Office Seal

Note: It is necessary to submit Completion certificate issued by the client / delivery challan duly acknowledged by the client / tax invoice copy.

(Quotation Format)
Price Schedule
(On bidder's letterhead)

Sr. No.	Items	Model No & Brand name	Unit	Qty	Unit Rate without GST in Rs.	Total Amount without GST in Rs.
1	TRACTOR - 58 HP (2 WD)		NOS	01		
	Total Amount without GST in Rs.					
	Add GST in Rs.					
	Total Amount with GST in Rs.					

We agree to supply and installation of above goods in accordance with the technical specifications and other terms and conditions mentioned in the tender document for a total contract price of Rs.(amount in figures) (Rs. amount in words) .

We also confirm that the normal commercial warrantee/guarantee of months shall apply to the offered goods.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery or collusive agreements with competitors.

Name of Bidder:

Signature of Bidder:

Date:

Bidder's office stamp

Letter of Acceptance

[letterhead paper of the Purchaser]

[date]

To: *[name and address of the Supplier]*

Subject: **Notification of award Contract No.**

This is to notify you that your Bid dated ***[insert date]*** for execution of the
[insert name of the contract and identification number, as given in the SCC] for the
Accepted Contract Amount of ***[insert amount in numbers and words and name of
currency]***, as corrected and modified in accordance with the Instructions to Bidders is hereby
accepted by our Agency.

You are requested to furnish (i) the Performance Security within 15 days in accordance with the
Conditions of Contract, using for that purpose one of the Performance Security Forms

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Agency: _____

Attachment: Contract Agreement

Contract Agreement

[The successful Bidder shall fill in this form in accordance with the instructions indicated]

THIS AGREEMENT made

the *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*.

BETWEEN

- (1) *[insert complete name of Purchaser]*, a *[insert description of type of legal entity, for example, an agency of the Ministry of of the Government of {insert name of Country of Purchaser}, or corporation incorporated under the laws of {insert name of Country of Purchaser}]* and having its principal place of business at *[insert address of Purchaser]* (hereinafter called "the Purchaser"), of the one part, and
- (2) *[insert name of Supplier]*, a corporation incorporated under the laws of *[insert: country of Supplier]* and having its principal place of business at *[insert: address of Supplier]* (hereinafter called "the Supplier"), of the other part:

WHEREAS the Purchaser invited quotation for certain Goods and ancillary services, viz., *[insert brief description of Goods and Services]* and has accepted quotation /bid by the Supplier for the supply of those Goods and Services

The Purchaser and the Supplier agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other contract documents.
 - (a) the Letter of Acceptance
 - (b) the RFQ document
 - (c) the Addenda Nos.____ (if any)
 - (d) the Specification (including Schedule of Requirements and Technical Specifications)
 - (e) the completed Schedules (including Price Schedules)
3. In consideration of the payments to be made by the Purchaser to the Supplier as specified in this request for bid document, the Supplier hereby covenants with the Purchaser to provide the Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the 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.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of *[insert the name of the Contract governing law country]* on the day, month and year indicated above.

For and on behalf of the Purchaser

Signed: *[insert signature]*
in the capacity of *[insert title or other appropriate designation]*
In the presence of *[insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier]*
in the capacity of *[insert title or other appropriate designation]*
in the presence of *[insert identification of official witness]*

Performance Security (Bank Guarantee)

[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]

[Guarantor letterhead or SWIFT identifier code]

Beneficiary: *[insert name and Address of Purchaser]*

Date: *_ [Insert date of issue]*

PERFORMANCE GUARANTEE No.: *[Insert guarantee reference number]*

Guarantor: *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *_ [insert name of Supplier, which in the case of a joint venture shall be the name of the joint venture]* (hereinafter called "the Applicant") has entered into Contract No. *[insert reference number of the contract]* dated *[insert date]* with the Beneficiary, for the supply of *_ [insert name of contract and brief description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[insert amount in figures]* (____) *[insert amount in words]* such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the Day of Monthyear and any demand for payment under it must be received by us at this office indicated above on or before that date.

(Signature of the authorized officer of the Bank)

Name and designation of the officer

Seal, name & address of the Bank and address of Branch

Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.

Advance Payment Security

Bank Guarantee

[Guarantor letterhead or SWIFT identifier code]

Beneficiary: *[Insert name and Address of Purchaser]*

Date: *[Insert date of issue]*

ADVANCE PAYMENT GUARANTEE No.: *[Insert guarantee reference number]*

Guarantor: *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[insert name of Supplier, which in the case of a joint venture shall be the name of the joint venture]* (hereinafter called "the Applicant") has entered into Contract No. *[insert reference number of the contract]* dated *[insert date]* with the Beneficiary, for the execution of *[insert name of contract and brief description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum *[insert amount in figures]* () *[insert amount in words]* is to be made against an advance payment guarantee.

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[insert amount in figures]* (_____) *[insert amount in words]* upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating either that the Applicant:

- (a) has used the advance payment for purposes other than toward delivery of Goods; or
- (b) has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Applicant has failed to repay.

A demand under this guarantee may be presented as from the presentation to the Guarantor of a certificate from the Beneficiary's bank stating that the advance payment referred to above has been credited to the Applicant on its account number *[insert number]* at *[insert name and address of Applicant's bank]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety (90) percent of the Accepted Contract Amount, has been certified for payment, or on the *[insert day]* day of *[insert month]*, 2 *[insert year]*, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

(Signature of the authorized officer of the Bank)

Name and designation of the officer

Seal, name & address of the Bank and address of Branch