

## FORMAT OF THE SURETY BOND FOR BID SECURITY (EMD)

*(To be executed on non-judicial stamp paper of appropriate value as per Stamp Act relevant to the place of execution. The Stamp Paper should be in the name of the Executing Insurance Company.)*

**In consideration of the .....** [Insert name of the Bidder] (hereinafter referred to as the "Bidder") submitting the Bid inter alia for the "**Selection of Consortium Partner(s)/ Lead Partner for Participation with RECPDCL in the bidding process conducted by Nepal Electricity Authority (NEA) for Selection of Transmission Service Provider under TBCB Framework**", in response to the Request for Proposal (RFP) Notice No. ....[Insert RFP Reference Number] dated .....[Insert Date] issued by REC Power Development and Consultancy Limited (hereinafter referred to as "RECPDCL"), and RECPDCL agreeing to consider such Bid of the Bidder as per the terms of the RFP;

**We**, [Insert name of Surety Insurer issuing the surety bond and address of Head Office] (hereinafter referred to as the "Surety Insurer") hereby agree unequivocally, irrevocably and unconditionally to pay to RECPDCL or its authorized representative at [Insert RECPDCL Address, e.g., Gurugram, Haryana] forthwith on demand in writing from RECPDCL or any representative authorized by it in this behalf, any amount up to and not exceeding **INR 10,00,000/- (Indian Rupees Ten Lakhs Only)** (the "Surety Bond"), on behalf of M/s .....[Insert name of the Bidder].

This Surety Bond shall be valid and binding on the Surety Insurer up to and including **[Insert Date: exactly 210 days from the Bid Submission Deadline]** and shall not be terminable by notice or any change in the constitution of the Surety Insurer or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between concerned parties.

Our liability under this Surety Bond is restricted to Rupees Only (Rs Crore). The Surety Bond shall remain in force until ..... **[Insert Date: exactly 180 days from the Bid Submission Deadline]**. RECPDCL or its authorized representative shall be entitled to invoke this Surety bond until [Insert Date, which is thirty (30) days after the date in the preceding sentence]. The Surety Insurer hereby expressly agrees that it shall not require any proof except for the written demand from RECPDCL or its authorized representative, made in any format, raised at the above-mentioned address of the Surety Insurer, in order to make the said payment to RECPDCL or its authorized representative.

The Surety Insurer shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection, disputes, or disparities raised by the Bidder or any other person. The Surety Insurer shall not require RECPDCL or its authorized representative to justify the invocation of this surety bond, nor shall the Surety Insurer have any recourse against RECPDCL or its authorized representative in respect of any payment made hereunder.

This Surety Bond shall be interpreted in accordance with the laws of India.

The Surety Insurer represents that this Surety Bond has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Surety Insurer in the manner provided herein.

This Surety Bond shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Surety Insurer.

This Surety Bond shall be a primary obligation of the Surety Insurer and accordingly, the Surety Insurer hereby explicitly agrees that RECPDCL or its authorized representative shall not be obliged before enforcing this Surety Bond to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder to enforce any security held by RECPDCL or its authorized representative or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Surety Insurer declares that it has the power to issue this Surety Bond and discharge the obligations contemplated herein, and the undersigned is duly authorized and has full power to execute this Surety Bond for and on behalf of the Surety Insurer.

Notwithstanding anything contained hereinabove, our liability under this Surety Bond is restricted to **INR 10,00,000/- (Indian Rupees Ten Lakhs Only)** and it shall remain in force until **[Insert Date: exactly 180 days from the Bid Submission Deadline]**, with an additional claim period of thirty (30) days thereafter. We are liable to pay the guaranteed amount or any part thereof under this Surety Bond only if RECPDCL or its authorized representative serves upon us a written claim or demand on or before the expiry of the claim period.

**In witness whereof:**

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Power of Attorney No. / Employee No. as applicable:** \_\_\_\_\_

**For and on behalf of:** .....[Insert Name of the Surety-Insurance Company]

*(Surety Insurer's Seal and Full Address, including mailing address of the Head Office)*

**Notes:**

1. The Stamp Paper should be in the name of the Executing Insurance Company.