



KHULNA SHIPYARD LIMITED

BANGLADESH NAVY, KHULNA

BABE (F)- 36/2023-2024/

16 April 2024

INVITATION FOR INTERNATIONAL TENDER

01	Procuring Entity Name	Khulna Shipyard Limited
02	Invitation For	LRS/ DNV-GL/ ABS/ NKK/ BV approved 2500 M.Ton M.S. Plate (Grade-A)
03	Invitation Reference No.	BABE (F) - 36/2023-2024/ DATE: 16 April 2024
04	Procuring Method	Open Tender
05	Budget & Source of Funds	Own Finance
06	Tender Last Selling Date	23 May 2024
07	Tender Closing Date & Time	26 May 2024 Time : 1115 AM
08	Tender Opening Date & Time	26 May 2024 Time : 1130 AM
09	Name & Address of the Office for Selling of Tender Documents:-	
	(1) Cash Section, Khulna Shipyard Ltd. Bangladesh Navy, Khulna. (2) Naval Store Sub Depot, Khilkhat Nama Para, Khilkhat, Dhaka.	
	Receiving & Opening Tender	Khulna Shipyard Ltd, Bangladesh Navy, Khulna (Tenderer's and their Authorized Representatives are allowed to attend)
10	Price of Tender Document	Tk. 5,000.00 (Tk. Five Thousand) Non-refundable.
11	Contact Details of Official	Tel : 02-4411-0990, Fax : 880-41-720404, Email: contact@khulnashipyard.com , oiocomf.ksy@gmail.com
12	Special Instructions	The Procuring Entity reserves the right to reject all or any Tenders prior to acceptance without showing any reason.

Manager Admin



KHULNA SHIPYARD LIMITED

BANGLADESH NAVY, KHULNA

PHONE NO: PABX 02-44110990, FAX. NO: 880-41-720404

E-mail: contact@khulnashipyard.com; oiocomf.ksy@gmail.com

IMPORTANT POINT

1. **TENDER NO: BABE (F) - 36/2023-2024/** **DATE: 16 APRIL 2024**
2. **DUE FOR OPENING ON : 26 MAY 2024**
3. **PRICE OF TENDER DOCUMENTS : Tk. 5,000.00** per set (Non-refundable).
4. **EARNEST MONEY :** BDT **5,00,000.00** (Five Lac) or equivalent US\$ / EURO / GBP etc favouring Khulna Shipyard Ltd., Khulna, in the form of Pay Order / Bank Guarantee.
5. **NAME OF THE COMMODITY:** LRS/ DNV-GL/ ABS/ NKK/ BV approved 2500 M.Ton M.S. Plate (Grade-A)
6. **SOURCE OF FINANCE:** Cash.
7. **TERMS OF SUPPLY :** CFR Mongla Sea Port.
8. **Price:**
 - a) FOB and Sea freight should be shown separately.
 - b) Freight should be shown/endorsed on Bill of Lading.
 - c) Freight will be paid at actual against Bill of Lading but not exceeding the amount shown in quotation/offer.
9.

a) Shipment	:	Within 90 days from the date of opening L/C.
b) Shipment effective date	:	Shipment effecting date will be enforced and counted from the date of opening L/C.
10. **TENDER SHOULD REMAIN VALID: 60 days** from the date of opening.
11. **THE TENDER DOCUMENTS MUST BE REQUIRED WITH SEAL AND SIGN THEREOF ON EACH PAGE:**

The Khulna Shipyard Ltd., Khulna invites quotation in duplicate (marked as "Original" and "Duplicate") from **Manufacturers / Principal Suppliers** for supply of the item(s) described in the attached sheet schedule (Annex-A 01 Page) on firm CFR Mongla Sea Port. Quotations will be received by this office up to **11-15 A.M.** and will be opened **11-30 A.M.** in public on the date specified above.

12. **AMENDMENTS TO TENDER DOCUMENTS:**

- a. At any time prior to deadline for submission of bids the purchaser may, for any reason, whether of its own initiative or in response to a clarification requested by a prospective bidder, modify the tender documents by the amendment(s).
- b. The amendment(s) will be notified in writing by letter / email to all prospective bidders who have purchased tender documents and the same will be binding on them.

c. In order to allow the prospective bidders reasonable time to take the amendment into account in preparing their bids, the purchaser may at its sole discretion extend the deadline for submission of bids.

PREPARATION AND SUBMISSION OF QUOTATION

13. GENERAL:

a. Offers are to be dropped in the tender box provided for the purpose at the office of Khulna Shipyard Ltd., Khulna.

b. Tender number and opening date as above should be written on the envelope. The envelope containing quotation should be sealed and addressed as follows:-

**THE MANAGING DIRECTOR
KHULNA SHIPYARD LIMITED
BANGLADESH NAVY
KHULNA – 9201, BANGLADESH**

c. Tender may be put into the Tender Box kept for this purpose at the above address, but care must be taken to ensure that it reaches this office on the date and time fixed. Late tenders will not be considered. Suppliers may also post the tenders to the **MANAGING DIRECTOR, KHULNA SHIPYARD LIMITED, BANGLADESH NAVY, KHULNA-9201, BANGLADESH**, so, as to reach him on due date and time. No responsibility will be accepted by buyer for late receipt.

d. The Manufacturers / Principal Suppliers may quote in their own letter head, but it is essential that the tender schedule is also completed and returned, alongwith original money receipt to the buyer. If the schedule is not accordingly returned the quotation may not be considered.

e. Tenderers may quote price in Bangladesh Taka/ US Dollar/ in any International trading currency.

f. Tenders should enclose with the quotation the Original Proforma Invoice of their Principal and the Proforma should be based on FIRM CFR PRICE.

g. The name of the manufacturers/principal suppliers and country/countries of origin with port of shipment proposed should invariably be indicated.

h. Tenderers must submit with the quotation the Original Proforma Invoice of their Principals and the Proforma Invoice shall clearly indicate detail technical specification, the percentage of commission, if any, included in FOB price for the local agent. Commission payable to the local agent by the foreign supplier will be deducted and paid to local agent in equivalent Local currency at the exchange rate at which the Bill of Exchange is negotiated. **Buyers will not pay any extra commission or otherwise to the Local Agent.**

i. No claims on the ground of typographical errors in calculating prices would be entertained later and the tendering firms would be asked under points of penalty and disciplinary action to supply at price they have originally quoted.

j. Indenting Agent should also submit along with the tender valid registration certificate issued by the CCI & E and Bangladesh Bank permission. In absence of original certificate attested photostat copy by first class officer may serve.

k. Tenderers should quote the price as per schedule given in (Annex A) to this document.

l. Tenderers should submit a certificate along with the offer to the effect that they have gone through the instructions and terms and conditions stipulated in the tender documents and have accepted them into. As a token of such acceptance each page of this tender documents must be signed by the supplier with their SEAL. If the tender documents are not received accordingly, the quotation may not be considered. In case of disagreement on any point this must be stated clearly in a separate sheet. Tenderers must give full and detailed specification of the items they like to offer. Expressions like as per your specifications should be avoided and will be treated as disqualification.

m. **Supplier must quote price per ton individually for each thickness M.S. Plate. Khulna Shipyard reserve the right to Purchase partially or full quantity of the quoted M.S. Plate.**

14. **CONTRACT:**

The terms and conditions of the tender document shall form an integral part of the contract/purchase order document. The tenderer is requested to check this set of tender documents in order to ensure proper compliance and the "Form of Acknowledgement" alongwith the "Certificate as to **Corporate Principal**", where applicable,' duly filled in be returned alongwith the **tender**.

15. **BID LANGUAGE:**

The bid's, all correspondences and documents relating thereto exchanged between the bidders and the purchaser shall be written in English Language.

16. **TERMS OF PAYMENT:**

- i. LC for full purchase amount will be opened in favour of the principal supplier under the following payment terms:
 - a. 80% of total CFR value will be paid on delivery of the items described under the scope of supply and on production of following shipping documents:
 - (1) Complete set of original 'Clean on Board' Bill of Lading / mentioning the amount of freight on Bill of Lading.
 - (2) Supplier's invoice signed in ink,
 - (3) Buyer's authorized inspection agent's certificate,
 - (4) Certificate of classification society.
 - (5) Class approved mill test certificate
 - (6) Fax/E-mail/Swift advice for insurance cover,
 - (7) Certificate of origin,
 - (8) Certificate showing that the material has been shipped in a non-Israel vessel,
 - (9) Undertaking regarding supply/ re-placement of short supplied and defective materials on free of cost demanded by the buyer.
 - b. Remaining 20% of L/C amount will be paid on producing "Acceptance certificate after satisfactory mustering jointly carried out by the buyer's and supplier's representative at Khulna Shipyard Ltd.

ii. Bank charges in Bangladesh for opening of L/C shall be borne by the buyer. Any Bank charges for revalidation or amendment of the L/C on the request of the supplier shall be exclusively borne by the beneficiaries and not by the Khulna Shipyard Ltd. Confirmation of letter of credit by foreign bank will not be entertained.

iii. Bank charges for withdrawal against L/C established by buyer will be borne by the beneficiary.

iv. The beneficiary will have to borne the following foreign bank charges: -

- (1) Negotiation commission.
- (2) Payment commission.
- (3) Postage & Cable charges.
- (4) L/C confirmation charges / additional (ADD) confirmation charges.
- (5) L/C amendment commission/ L/C extension commission.
- (6) L/C cancellation charges.

17. PACKING AND MARKING:

a. The seller shall be responsible for proper packing and marking the goods for shipment by rail, road and sea. Goods shall be assembled to the maximum extent practical prior to shipment. Goods shall be packed so as to withstand usually rough handling and ensure delivery without loss or damage.

b. Each Bundle must have the following information printed in BOLD LETTERS on the outside

- (1) Name of the consignee and Destination,
- (2) Letter of credit number,
- (3) Gross and net weight,
- (4) Serial number of Bundle and,
- (5) Name and address of the seller,

18. QUANTITY:

a. Check of quality, quantity and condition of goods at the discharging port i.e. Mongla will be carried out by the buyer at their cost.

b. The quotation must be based on firm prices for individual items. Average prices should not be quoted.

c. Descriptive catalogue/literature of the products and brochure of mill duly stamped should be furnished along with the quotation.

d. The Khulna Shipyard Ltd., reserves the right of awarding contracts for individual technically acceptable items on the lowest acceptable prices. Firms quoting on an average basis for joint items do so at their own risk. The Khulna Shipyard Ltd., will not make any allowances for this action of the tendering firms when awarding contracts for individual items which if and when refused by tendering firms any lead to disciplinary action.

SPECIAL CLAUSES

19. PRE SHIPMENT INSPECTION (PSI)/ FACTORY ACCEPTANCE TEST (FAT):

a. Pre Shipment Inspection (PSI)/Factory Acceptance Test (FAT) will be carried out by 02 x buyer's representatives for a duration of 05 (five) days excluding journey period, at buyer's expenses. The supplier should inform the buyer about the date and schedule of PSI/FAT at least 04 (four) weeks prior to the date of commencement of the said PSI/FAT. After inspection a joint inspection report will be prepared and signed by both the seller and buyer's representatives.

b. Due to unavoidable situation or force majeure if buyer representatives as stated in 19(a) cannot carry out FAT/PSI the buyer will engage third party for comprehensive inspection of the materials regarding the quality, quantity, material standard as per annex-A. The authorized third party and / or their accredited agent will carry out PSI/FAT and a joint inspection report will be prepared and action will be taken as stated in paragraph 19. Supplier will be liable to pay the expenses for rejected stores and also for such inspection, which will become payable to the inspector due to multiple intervention/ visits or fruitless visits. The third party inspector should be provided with all facilities to carry out their job smoothly and without interference. FAT/PSI Charge to be borne by KSY.

20. **INSURANCE.** Insurance of the consignment after shipment to destination port/place (up to buyers premises) will be arranged by buyer. Quotation should, therefore, be exclusive of the insurance charges.

21. **LATE SHIPMENT/ DELIVERY AND LIQUIDATED DAMAGES:** Late shipment/delivery will not be accepted. However with reasonable cause, if KSY agrees for late Shipment/ Delivery, in that case followings will be imposed:

- a. On genuine reasons / grounds beyond the control of the suppliers / contractor, extension of delivery period may, however, be granted by the Purchase Approving Authority (KSY) without realization of any liquidated damage provided validity of their performance guarantee covers such extension.
- b. Liquidity damage equivalent to half percent per week or part thereof on the value of the undelivered goods will be realized from the supplier / contractor.
- c. In specific cases, where delay in shipment is likely to cause interruption of work or financial loss, or related to the delivery of ships/ handed over of construction work, a higher rate of liquidity damage from 5% to 10% (as decided by KSY) per week or part thereof on the value of the undelivered goods will be charged.
- d. In case of delay in shipment beyond approved timeframe as stated in Clause no. 9(a), this schedule will be treated as cancelled and the full Performance Guarantee shall also be forfeited as a consequential effect.
- e. In the event of any delay in dispatch of the shipping documents or their incorrect preparation, the supplier shall be responsible for any demurrage, extra handling charges or any other expense arising there from.
- f. Minimum 14 days free time for container shipment at destination port must allow for each shipment.

22. **TERMINATION OF CONTRACT/PURCHASE ORDER:**

- a. At any time during the period of this contract, the Purchaser shall have the right to cancel contract under following reasons:
 - (1) If the supplier fails to supply the contracted item as per specification given in the purchase order/contract of the contracted item being rejected by the competent technical authority.
 - (2) If the supplier fails to deliver the contracted item within the date specified in the purchase order/contract or any extensions thereof.
 - (3) In the event of breach of any contractual obligations given in the terms and conditions of the purchase order/contract.

b. Moreover, in case of termination of contract as under this clause the Purchaser shall have the right to decide taking appropriate punitive action against the supplier as deemed suitable by the KSY authority.

c. Decisions under this clause SHALL not be subject to arbitration.

23. **EARNEST MONEY.** All bidders must submit earnest money for an amount BDT 5,00,000.00 or equivalent to any International Trading currencies favouring the Khulna Shipyard Ltd., in pay order / bank guarantee which will be issued by any scheduled bank of Bangladesh. In case bank guarantee is submitted, the same should remain valid for 90 (Ninety) days from the date of opening of the tender. Neither any inland cheque for a cheque /guarantee issue by Bank of foreign countries will be entertained. Earnest money is liable to forfeiture if the bidder for any reason whatsoever withdraws or modifies its offer; or violates the terms after opening of the tender and before expiry of the validity of the offer; or fails to furnish the required performance bond within the stipulated time after issuance of letter of intent. Bid bond/earnest money of unsuccessful tenderer would be returned once a decision of the tender is made. A tender not accompanied by earnest money/bid bond would be rejected as non-responsive. Bid bond of the successful bidder shall be returned after furnishing performance bond. A specimen copy of bid bond is enclosed herewith as annex-B

24. **PERFORMANCE BOND.** The successful tenderer will be required to furnish performance bond to the extent 5% of the total CFR value either in the form of pay order or bank guarantee from any scheduled bank of Bangladesh for the satisfactory execution of the order. The submitted bank guarantee must remain valid 06 (six) months beyond the day of shipment. Performance bond must be furnished within 10 (Ten) day's from the date of letter of intent. It will be liable for forfeiture if the supplier fails to supply the goods within the specified time or commits any breach of contract. The Performance Guarantee will be released after satisfactory inspection (quantity, quality and weight) by Khulna Shipyard Limited Quality Control committee and in presence of suppliers representative at Khulna Shipyard Premises. The buyer shall have the right to forfeit the performance guarantee for failure of the supplier in fulfilling the terms and conditions of this contract partially or wholly, besides taking any other action against the supplier that may be warranted. A specimen copy of performance bond is enclosed herewith as Annex - C.

25. **INDEMNITY.** The supplier have to indemnify the buyer against all claims and shall take all risk of accidents or damage which may cause or failure of the supply from whatever cause arising and take entire responsibility for the sufficiency of the means used by the supplier for the fulfillment of the contract.

26. **INCREASE OR DECREASE IN QUANTITY OF CONTRACT:** The buyer reserves the right at the time of award of contract, with no adjustment in unit price (bid), to increase or decrease the quantity tendered. The buyer also reserves the right to accept or reject any or all the tenders or to waive any informality, minor deviation or omission.

Award would be made to the bidder whose responsive bid determined to be the lowest evaluated bid and who meets the specification and other terms and conditions of the tender document.

27. The buyer has the option to place orders either on CFR Mongla basis.

28. Should the suppliers be adjudged insolvent, the buyer shall have the power to terminate the contract.

29. **DISQUALIFICATION OF OFFER:**

- a. Any addition or alternator to the specification or rate quoted by a firm in the tender after not only be ignored but should also render the firms liable to disqualification.
- b. Any tender received late and not strictly confirming to the terms and conditions prescribed in this tender documents not accompanied with the requisite earnest money and the money receipt of tender price and registration certificate may be liable for rejection.

30. **TAXES AND OTHER CHARGES:**

All duties, taxes and other charges levied on the goods by authorities in buyer's country shall be borne by the buyer and shall not be included in the bid price.

Charges of such nature in seller's country or in any country other than the buyer's country shall be borne by the sellers.

31. **BREACH OF CONTRACT:** On any breach of contract by the seller, the buyer may recover the actual loss suffered and the amount may be realised by encashing the performance guarantee.

32. **UNDER TAKING.** The manufacturers/suppliers shall issue a certificate to be effect that they have shipped the goods strictly conforming to the quality and quantity stipulated in the Purchase Order and that they will replace the defective materials and replenish the short supplied quantity free of charge on demand by the buyer. Such certificate shall form an integral part of the original shipping documents required to be submitted to the bank for drawing of payment against letter of credit by the supplier.

33. **APPLICABLE LAW:** The purchase order shall be interpreted in accordance with the law of the buyer's country.

34. **FORCE MAJEURE.** Should any circumstance arise preventing either contracting party from wholly or partly carrying its obligations under the present contract, namely Natural Calamity, Strike, Riots, firm acts and elements of War, Military Operation of any, Nature, Block ads and any unforeseen event which is beyond human control the period stipulated for the performance of this contract shall be extended or as long as the circumstances prevail. Provided that in the event of these circumstances continuing for more than thirty days, either party shall have to refuse to fulfill its obligations under this contract and in such case neither party shall be entitled to indemnification of any losses it may sustain.

The party unable to carry out its obligation under this contract shall immediately advise the other party of the commencement and the termination of circumstances preventing the performance of the contract. A certificate issued by the Chamber of Commerce of the sellers of the buyers' country shall be sufficient proof of the existence and duration of such circumstances.

35. **ARBITRATION.** In the event of any dispute or difference arising out of the terms and conditions as specified above, the same shall be referred to the award of a sole arbitrator appointed by the parties on mutual agreement. Failing to which, it shall be referred to the award of the two Arbitrators, one from each side (buyer and seller). Or in the case of disagreement between the two arbitrators to the award of an umpire, to be appointed by the two arbitrators in writing, before proceeding on the reference of the decision of the sole arbitrator or of the two arbitrators in the writing or the umpire as the

case may be shall be final, conclusive and binding upon the parties. The provisions of the arbitration Act 2001 and rules there under and any statutory modification there of shall deem to apply to the said arbitration. The place of arbitration shall be Dhaka, Bangladesh. Any statutory modification enactment thereof for the time being in force in Bangladesh shall apply to the arbitration proceeding.

The above terms and conditions are not absolute, the Khulna Shipyard Ltd., Bangladesh Navy, reserves the right to incorporate additional terms and conditions, if necessary. **The Khulna Shipyard Ltd., BN also is not bound to accept the lowest tender and reserves the right to reject any or all tenders without assigning any reason whatsoever.**

Yours sincerely

SK. SHAH MOSHIUR RAHMAN
Manager Admin
For Managing Director

Enclosure:

- A. Format of Price Schedule, Specification, Terms & Condition (Annex-A) - 01 Page.
- B. Format of Bank Guarantee in Lieu of Earnest Money (Annex-B) - 01 Page
- C. Format of Performance Bank Guarantee (Annex-C) - 01 Page.

KHULNA SHIPYARD LTD.**BANGLADESH NAVY, KHULNA****SCHEDULE TO TENDER ENQUIRY NO : BABE (F)- 36/2023-2024 DATED: 16 APRIL 2024 OPENING DATE 26 MAY 2024 AT 1130 HOURS**

DESCRIPTION OF GOODS				QUANTITY	PRICE		
					FOB INCLUDING LOCAL AGENT COMMISSION AS PER MANUFACTURER/ PRINCIPAL SUPPLIERS QUOTATION/ PROFORMA INVOICE PER TON	FREIGHT	TOTAL PRICE CFR Mongla
1. <u>M.S. PLATE</u>							
Ser	Description of Material	Size (mm)	Classification Society	Weight (Ton) Not more than			
i	Hot Rolled MS Plate (Marine Grade-A)	6000x2000x5	LRS/ DNV-GL/ ABS/ NKK/ BV Class Approved	200			
ii		6000x2000x6		1200			
iii		6000x2000x8		1000			
iv		6000x2000x10		50			
v		6000x2000x12		50			
	Total:			2500			

2. Terms & Condition:

- Each MS plate shall have a punched Heat number and Batch number duly stamped by the International Classification Society- LRS/ DNV-GL/ ABS/ NKK/ BV.
- Mill test certificate endorsed by LRS/ DNV-GL/ ABS/ NKK/ BV is also to be supplied along with shipping documents. But sample mill test certificate approved by LRS/DNV-GL/ABS/NKK/BV is to be provided during offer submission.
- All the materials (Grade-A, marine type) are to be tested by LRS/ DNV-GL/ ABS/ NKK/ BV classification Society and test certificate endorsed by the LRS/ DNV-GL/ ABS/ NKK/ BV showing Heat No and Batch No is to be submitted along with shipping documents.
- Manufacturer certificate regarding the chemical composition and mechanical properties is to be provided along with shipping documents.
- Plus/ Minus 10(ten) percent tolerance to be allowed on total quantity and dimension (Length and breadth). In case of thickness, positive thickness is acceptable but not countable with the weight calculation. On the other hand, Negative thickness plate is not acceptable at all.
- Weight will be counted as per theoretical weight basis. During calculation of theoretical weight, the density of MS steel will be considered 7850 kg/m3.
- Decoil or coil strip plate is not acceptable at all.
- All steel plate will be used in main hull structure construction.
- All steel will be marine type, Grade-A.
- Each plate is to be without shop primed before shipment.
- Country of origin & manufacturer: Name, address & contact details are to be mentioned.
- The intended mill should be Class approved and related certificate of steel mill are to be submitted with tender submission along with steel mill name, full address, mobile number (whatsapp) of focal person and e-mail address.
- Manufacturer authorization letter on behalf of principal/supplier (if the manufacturer is not the supplier) will have to be submitted at the time of offer. In case of authorization from the supplier, authorization of the said supplier from the manufacturer also need to be submitted with the offer.
- If any pitted or 2nd hand MS plate is found during mustering at KSY premises, the pitted or 2nd hand material will not be acceptable at all. Supplier will undertake the full responsibility to supply or replace the pitted or 2nd hand material by new one.

**** Supplier must follow Commercial & Financial terms that are integrated at Schedule.**

BANK GUARANTEE IN LIEU OF EARNEST MONEY

No.....

.....

Guarantee

Dated:

For (mention amount).

Dear Sirs,

Whereas (Name of tender floating organisation) under tender No.
 dated inviting tenders for supplies of (described
 supplies) has agreed to waive the requirement of Cash deposit / Call deposit of US\$ / £ /
 Tk..... of the value of supplies as earnest money by the tenderer for
 making the supplies in accordance with the terms and conditions of the tenderer and the
 tenderer shall provide a bank guarantee for payment for the said amount.

And whereas the tenderer M/S.ofhas requested us
 (name of bank) of to issue as guarantee for payment of the amount of
 US\$/£/Tk when called upon.

In consideration of the aforesaid, we (name of bank) of hereby
 undertake and guarantee due performance of the tender by the tenderer M/S.
 of and unconditionally and absolutely
 bind ourselves:

1. To make payment without any question whatsoever of US\$/£/Tk
 to.....(Name of organisation) or as directed by the
 organisation immediately on receipt of demand from the said, organisation in writing, in
 the event the tenderer fail to perform the tender. It is expressly understood that the
 organisation shall be the sole judge for-deciding whether the tenderer has performed the
 tender and fulfilled the terms and conditions of the tender.
2. It is specially stipulated and understood by the bank that any grant of time or
 indulgence to the tenderer without reference to the bank shall not in any manner tent to
 absolve the bank from its liability to make the payment stipulated above under this
 guarantee.
3. The Bank's commitment under this guarantee is limited to an amount of
 US\$/£/Taka(.....) only.
4. The guarantee will remain valid upto

Yours faithfully

..... Bank

(Seal of the Bank)

PERFORMANCE BANK GUARANTEE

Managing Director
 Khulna Shipyard Limited
 Bangladesh Navy
 Khulna, Bangladesh

Bank Guarantee No
 Dated:
 For (Mention amount)

Dear Sirs,

Whereas Khulna Shipyard Ltd., Bangladesh Navy, Khulna hereinafter referred to as the buyers proposed to enter into a contract through a Letter of Intent No dated hereinafter called the contract with (name of the sellers) of hereinafter referred to as the sellers for the supply of (described supplies) in accordance with the terms and conditions of the contract. And whereas the sellers have requested us (name of bank) to issue a guarantee for an amount of US\$ / £ / EURO / TK..... being 5% of the CFR value of the supplies.

In consideration aforesaid (name of bank) hereby undertake and guarantee due observance and performance of the terms and conditions of the contract by the sellers and we unconditionally and absolutely bind ourselves.

To make payment on demand, without demur and without reference to the sellers, of US\$ / £ / EURO / TK to the buyers or as directed by the buyers in writing, if the sellers shall fail to perform the contract or fulfill the terms and conditions thereof.

To keep guarantee valid and in force for 06 (six) months beyond the date of acceptance of material but extendable if so required by the buyers.

The guarantee is unconditional and it is expressly understood that the buyers shall be sole judge for deciding whether the sellers have performed the contract and fulfilled the terms and conditions thereof.

It is specifically stipulated and understood by us (name of bank) that any grant of time or indulgence to the sellers without reference to us shall not in any manner tend to absolve us from our liability to make payment as stipulated above under this guarantee.

Our commitment under this guarantee is limited to an amount of US\$ / £ / EURO / TK..... only.

Yours faithfully

..... Bank

(Seal of the Bank)