

## **M.S. Notice 10 of 2005**

No:8(8)/CR/2005

Date:

**Sub: Merchant Shipping (Recruitment & Placement of Seafarers) Rules 2005 - Bank Guarantee**

Under rule 4(12) of the Merchant Shipping (Recruitment & Placement of Seafarers) Rules, 2005, a recruitment service is required to submit bank guarantee to the concerned Seamen's Employment Office along with the application for regard, a format for bank guarantee is enclosed as **Annex-I**.

2. The recruitment and placement services are, hereby, requested to ensure that the bank guarantee submitted with adheres to the format enclosed herewith.

3. The Seamen's Employment Office, Mumbai/Kolkata/Chennai are requested to scrutinize the applications for licence and ensure that the bank guarantees adhere to the format enclosed herewith.

Sd/-

(Neera Malhotra)

Dy. Director General of Shipping

### **DRAFT BANK GUARANTEE**

**BETWEEN** (indicate name of the bank and branch). And wherever the context so required includes its successors hereinafter called "the SURETY" in favour of "Seamen's Employment Office" under the Director General of Shipping, G (indicate address of the concerned Seamen's Employment Office). Wherever the context so required includes its heirs, assigns, hereinafter called "the OWNER"

**WHEREAS** (indicate the name and full address of the Recruitment and Placement Service) and wherever the context so required

its successors and assigns, hereinafter called (the company/firms/individual...) is in the business of recruiting personnel  
whereas by an order of the Govt. of India vide in its Gazette Notification No. GSR 182 (E), dated 18<sup>th</sup> March 2005 all persons  
obtain a licence from the DG Shipping. Whereas one of the conditions is the issue of a Bank Guarantee in favour of the  
Employment Office under the DG Shipping for varying amounts having regard to the number of personnel being recruited.  
Whereas the company/firms/individual... is obliged to execute a Bank Guarantee in favour of the "Seamen's Employment  
Shipping for an amount of Rs. [ indicate amount of bank guarantee applicable as per the table in rule 4(12)] valid for  
years, which has been perused and verified by us.

NOW THIS DEED WITNESSETH that in consideration of the said bank guarantee executed in favour of the Seamen's Employment  
by the SURETY, the guarantee can be invoked by the Seamen's Employment Office under the following circumstances :

- a) When the company fails to repatriate the seafarer in the event of his being stranded.
- b) When the Company fails to transport the mortal remains of the seafarer.
- c) For the maintenance of the stranded seafarer.
- d) We (indicate name of the bank) hereby undertake that this guarantee shall be a continuing guarantee and shall be in force as long as the said guarantee is in force and any part of the guarantee remains outstanding and we further agree that if any default is made by the company/firm/individual...in performing any of the terms and conditions stipulated in (a) to (c) above, the guarantee can be invoked by the Seamen's Employment Office.
- e) This guarantee shall be a continuing guarantee and shall remain in force without any need for periodic extension as long as any portion of the guarantee remaining unexpired/uninvoked and shall expire and become ineffectual when the Seamen Employment Office provides clearance for its revocation. In that event the Surety shall be stand discharged and the company/firm/individual... and this bond shall hereinafter become of no effect.

f) The Guarantee shall come into force from the date of execution of this deed.

NOTWITHSTANDING anything contained hereinabove, our liability under the guarantee is restricted to Rs. [ **indicate**  
**guarantee applicable as per the table in rule 4(12)]** and it shall remain in force for a period of five years until (**indicate date**  
**bank guarantee**). Unless a claim or demand in writing is made on the bank before the expiry of the guarantee, all your  
said guarantee shall be forfeited and we shall be released and discharged from all liabilities hereunder, irrespective of  
original/extended guarantee is returned to us.

We, (**indicate name of the bank**) undertake to revoke this guarantee during its currency only with the previous consent  
Seamen's Employment Office and further agree to extend the same if so required by the Seamen's Employment Office and

This guarantee shall be treated as an unconditional guarantee and the company shall have no objection or obstruct  
enforcement of this guarantee.

Signature

Signature

Name of the Bank

Name of the Bank