

Merchant Shipping (Recruitment & Placement of Seafarers) Rules, 2005 - Bank Guarantee

M.S. Notice 4 of 2006

No:8(8)/CR/2005 2006

Dated: Feb 2,

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

1. In supersession of [M.S. Notice No. 10 of 2005](#) dated 09.09.2005, whereby a format for bank guarantee was promulgated to enable recruitment and placement services to submit the bank guarantee under rule 4(12) of M.S. (Recruitment & Placement of Seafarers) Rules, 2005, a revised format for bank guarantee is now issued and is enclosed as Annex-I.
2. The recruitment and placement services are, hereby, requested to ensure that the bank guarantee in the revised format be submitted with the application adhering to the format enclosed herewith.
3. The Seamen's Employment Office at 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

Annexe-I

DRAFT BANK GUARANTEE

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

WHEREAS (indicate the name and full address of the Recruitment and Placement Service) and wherever the context so requires includes its successors and assigns, hereinafter called (the company/firm/proprietary concerns) is in the business of recruiting personnel for ships and whereas by an order of the Govt. of India vide in its Gazette Notification No. GSR 182 (E), dated 18th March 2005 all persons will have to obtain a licence from the DG Shipping. Whereas one of the conditions is the issue of a Bank Guarantee in favour of the Seamen's Employment Office under the DG Shipping for varying amounts having regard to the number of jobs. Whereas the company/firm/proprietary concerns is obliged to execute a Bank Guarantee in favour of the "Seamen's Employment Office" (indicate address of the concerned Seamen's Employment Office) for an amount of

Rs. _____ [indicate amount of bank guarantee applicable as per the table in rule 4(12)] valid for a period of five 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 Office 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 upto the validity of the guarantee and shall be so long as the said guarantee is in force and any part of the guarantee remains outstanding and we further agree that if any default shall be made by the company/firm/proprietary concerns 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 upto the validity of the guarantee and shall remain in force without any need for periodic extension and effect so long as any portion of the guarantee remaining unexpired/uninvoked and shall expire and become ineffectual only when the Seamen Employment Office provides clearance for its revocation upto the validity of the guarantee. In that event the Surety shall be stand discharged by the company/firm/proprietary concerns and this bond shall hereinafter become of no effect.
- f. The Guarantee shall come into effect from the date of execution of this deed.

NOTWITHSTANDING anything contained hereinabove, our liability under the guarantee is restricted to Rs. _____ [indicate amount of bank 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 of expiry of the bank guarantee). Unless a claim or demand in writing is made on the bank only & only before the expiry of the guarantee i.e. upto _____, all your rights under the said guarantee shall be forfeited and we shall be released and discharged from all liabilities hereinabove, irrespective of whether or not 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 in writing by the Seamen's Employment Office and further agree to extend the same if so required by the Seamen's Employment Office and the Company.

This guarantee shall be treated as an unconditional guarantee and the company shall have no objection or obstruct in any way the enforcement of this guarantee as per the terms & conditions hereinabove.

Signature

Name of the Bank

Signature

Name of the Bank