

## RETENTION BANK GUARANTEE

NUCLEAR POWER CORPORATION OF INDIA LIMITED  
 (Acting through) Executive Director,  
 Contracts & Materials Management  
 Nabhikiya Urja Bhavan,  
 Anushaktinagar,  
 Mumbai - 400 094.

1. WHEREAS on or about the \_\_\_\_\_ day of \_\_\_\_\_ M/s. \_\_\_\_\_ a Company registered under the Companies Act 1956 and having its registered office at \_\_\_\_\_ (hereinafter referred to as 'The Contractor') entered into an agreement bearing No. \_\_\_\_\_ dtd. \_\_\_\_\_ (hereinafter referred to as the 'The Contract'), with Nuclear Power Corporation of India Limited (acting through Executive Director, Contracts & Materials Management Group) (hereinafter referred to as the 'The Purchaser') for supply of \_\_\_\_\_ (hereinafter referred to as 'The Equipment').
  
2. AND WHEREAS under the terms and conditions of the contract balance 10% payment is to be made against \_\_\_\_\_ and on the supplier furnishing a retention bank guarantee for Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) representing 10% of the contract value in the manner herein contained.
  
3. NOW WE, (Bank) \_\_\_\_\_ in consideration of the Purchaser having agreed to pay to the Contractor balance payment of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) do hereby agree and undertake to indemnify the Purchaser and keep the Purchaser indemnified to the extent of a sum not exceeding the said sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) against any damage or loss that may be suffered by the Purchaser by reason of non fulfillment of any of the terms and conditions of the contract by the CONTRACTOR.
  
4. WE, the (Bank) \_\_\_\_\_, do hereby undertake to pay the amount due and payable under this guarantee without any demur merely on a demand from the EXECUTIVE DIRECTOR, CONTRACTS AND MATERIALS MANAGEMENT on behalf of M/s. NUCLEAR POWER CORPORATION OF INDIA LIMITED stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Purchaser by reason of breach by the said Contractor of any of the terms and conditions contained in the said agreement or by reason of the Contractor(s) failure to perform the said agreement. Any such demand made on the bank shall be conclusive as regards the amount due and payable by bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only).

5. We undertake to pay to the Purchaser any money so demanded notwithstanding any dispute or disputes raised by the Contractor(s), in any suit or proceedings pending before any court or tribunal relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability for payment there under and the Contractor(s) shall have no claim against us for making such payment.
6. AND WE, the (Bank) \_\_\_\_\_, hereby further agree that the decision of the said EXECUTIVE DIRECTOR, CONTRACTS AND MATERIALS MANAGEMENT GROUP, NUCLEAR POWER CORPORATION OF INDIA LIMITED as to whether the Contractor has committed breach of any such terms and conditions of the contract or not and as to the amount of damages or loss assessed by the said EXECUTIVE DIRECTOR, CONTRACTS AND MATERIALS MANAGEMENT GROUP, NUCLEAR POWER CORPORATION OF INDIA LIMITED as damage or loss suffered by the Purchaser on account of such breach would be final and binding on us.
7. WE, the (Bank) \_\_\_\_\_, further agree with the Purchaser that the Purchaser shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said Contractor from time to time or to postpone for any time or from time to time any of the powers exercisable by the Purchaser against the said Contractor and to forebear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variations or extensions being granted to the said Contractor or for any forbearance, act or omission on the part of the Purchaser or any indulgence by the Purchaser to the said Contractor or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision have effect of relieving us.
8. THIS GUARANTEE will not be discharged due to the change in the constitution of the Bank of the Contractor(s)/Supplier(s).
9. Notwithstanding anything contrary contained in any law for the time being in force or banking practice, this guarantee shall not be assignable or transferable by the beneficiary. Notice or invocation by any person such as assignee, transferee or agent of beneficiary shall not be entertained by the bank. Any invocation of the guarantee can be made only by the beneficiary directly.

NOTWITHSTANDING ANYTHING CONTAINED herein above, our liability under this guarantee is restricted to Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only). Our guarantee shall remain in force for a period of three months from the date of the bank guarantee i.e. up to \_\_\_\_\_ and unless a claim under the guarantee is lodged within the above date, all rights of the Purchaser under the guarantee shall be forfeited and we shall be relieved and discharged from all liabilities under this guarantee there under.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 201\_

For \_\_\_\_\_  
(Indicate the name of the Bank)

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