

(To be submitted in Non-judicial Stamp Paper of appropriate value)

ADVANCE PAYMENT

NUCLEAR POWER CORPORATION OF INDIA LIMITED,
(Acting through)
Station Director,
Madras Atomic Power Station,
Kalpakkam

1. WHEREAS on or about the _____ day of 200
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. _____ (hereinafter referred to as 'The Contract'), with Nuclear
Power Corporation of India Limited (A Government of India Enterprise) acting through
Executive Director, Contracts & Material Management (hereinafter referred to as (Purchaser) for
_____ (hereinafter referred to as 'The Equipment').

2. AND WHEREAS under the terms & conditions of the contract an amount of Rs.
_____ (Rupees _____ only) representing _____ per cent
advance payment out of a contract value of Rs. _____ (Rupees
_____ only) is to be paid by the Purchaser to the contractor.

3. AND WHEREAS the Purchaser has agreed in pursuance of the said terms and conditions of
the contract to make an advance payment of Rs. _____ (Rupees
_____ only) to the Contractor on the Contractor furnishing a Bank
Guarantee in the manner herein contained.

4. NOW WE, the _____ (Bank) in
consideration of the purchaser having agreed to pay to the contractor an advance 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-fulfilment of any of the terms and conditions of the
contract by the contractor.

5. WE, _____ (Bank) do hereby undertake to
pay the amount due and payable under this guarantee without any demur merely on a demand
from on behalf of Messrs NUCLEAR POWER CORPORATION OF INDIA LTD 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 (s) of any of the terms and conditions
contained in the said agreement or by reason of the Contractor(s) '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 .

contd.....2..

6. 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 proceeding 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 valid discharge of our liability for payment thereunder and the Contractor (s) shall have no claim against us for making such payment.

7. AND WE _____(Bank) hereby further agree that the decision of the said NUCLEAR POWER CORPORATION OF INDIA LTD., 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 NUCLEAR POWER CORPORATION OF INDIA LTD., as damage or loss suffered by the Purchaser on account of such breach would be final and binding on us.

8. AND WE _____(Bank) further agree with the Purchaser that the Purchaser shall have the fullest liberty without our consent and without affection in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extent time of performance by the said Contractor (s) 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 (s) and to forbear or enforce any of the terms and conditions relating the said agreement and we shall not be relieved form our liability by reason of any such variation or extension being granted to the said contractor (s) or for any forbearance, act or omission on the part of the Purchaser or any indulgence by the Purchaser to the said contractor (s) 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.

9. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor (s).

10. Our guarantee shall remain in force untill _____ and unless a claim under the guarantee is lodged with us within six months from that date all rights of the Purchaser under the guarantee shall be forfeited and we shall be relieved and discharged from all liabilities, thereunder.

Dated the _____ day of _____ 200

For _____
(Indicate the name of the bank)