

7. BANK GUARANTEE FORM FOR ADVANCE PAYMENT (SUPPLY EX-WORKS)

**7(i). Bank Guarantee Form for Advance Payment
(Supply Ex-Works)**

(To be stamped in accordance with Stamp Act
if any, of the Country of the Issuing Bank)

Bank Guarantee No.....
Date.....

To,

[Employer's Name & Address]

Dear Sir,

In consideration of/*[Employer's Name]*..... (hereinafter referred to as the 'Employer', which expression shall, unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/s...../*[Contractor's Name]*..... with its Registered/Head Office at (hereinafter referred to as the 'Contractor' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns), a Contract, by issue of Employer's Notification of Award No. dated and the same having been unequivocally accepted by the Contractor, resulting into a Contract bearing No. dated..... valued at for/*[Name of Contract]*(hereinafter called the 'Contract') and the Employer having agreed to make an advance payment to the Contractor for performance of the above Contract amounting (in words and figures) as an Advance against Bank Guarantee to be furnished by the Contractor.

We...../*[Name and address of the Bank]*..... having its Head Office at (hereinafter referred to as the 'Bank', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Employer, immediately on demand any or, all monies payable by the Contractor to the extent of/*[advance amount]*..... as aforesaid at any time upto(@)..... without any demur, reservation, contest, recourse or protest and/ or without any reference to the Contractor. Any such demand made by the Employer on the Bank shall be conclusive and binding notwithstanding any difference between the Employer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of the Employer and further agrees that the guarantee herein contained shall be enforceable till ninety (90) days after expiry of its validity.

The Employer shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee, from time to time to vary the advance or to extend the time for performance of the Contract by the Contractor. The Employer shall have the fullest liberty without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the Contractor, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Contract between the Employer and the Contractor or any other course or remedy or security available to the Employer. The Bank shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Employer or any other indulgence shown by the Employer or by any other matter or thing whatsoever which under law would but for this provision, have the effect of relieving the Bank.

The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Contractor and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor's liabilities.

Notwithstanding anything contained hereinabove our liability under this guarantee is limited to*[advance amount]*..... and it shall remain in force upto and including(@)..... and shall be extended from time to time for such period (not exceeding one year), as may be desired by M/s.....*[Contractor's Name]*.... on whose behalf this guarantee has been given.

Dated this day of 20 at

(Signature).....

(Name).....

(Designation with Bank Stamp)

.....
(Official e-mail ID)

Authorized Vide Power of Attorney
No.....

Dated.....

- Notes:**
- 1. (@) This date shall be ninety (90) days beyond the date of Completion of the last Facilities covered under the package.
 - 2. The stamp papers of appropriate value shall be purchased in the name of guarantee issuing Bank or the Party on whose behalf for BG is being issued. The Bank Guarantee shall be issued on a stamp paper of value as per applicable Stamp Act(s).
 - 3. While getting the Bank Guarantee issued, the contractor is required to ensure compliance to the points mentioned in Form of Bank Guarantee Verification Check List. Further, the Contractor is required to fill up this Form and enclose the same with the Bank Guarantee.
 - 4. The Bank Guarantee shall be from a Bank as per provisions of the Bidding Documents.
 - 5. In case, Bank Guarantee is getting issued from State Bank of India, Contractor to take note of NTPC letter ref. NTPC/FC/CS/BG/01 dated 03.09.2014 and SBI letter ref. CAG-I/AMT-1/2014-15/370 dated 04.09.2014 (attached with Section-III of Bidding Documents).
 - 6. BG against advance payment will be mandatorily submitted in the form of e-BG, and no physical BG will be accepted.

**7(ii). Bank Guarantee Form
for Advance Payment
(Installation/Civil/Site
Fabricated Structural works)**

(To be stamped in accordance
with Stamp Act
if any, of the Country of the
Issuing Bank)

Bank Guarantee No.....
Date.....

To,
*[Employer's Name &
Address]*

Dear Sir,

In consideration of/*[Employer's Name]*..... (hereinafter referred to as the 'Employer', which expression shall, unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/s...../*[Contractor's Name]*..... with its Registered/Head Office at (hereinafter referred to as the 'Contractor' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns), a Contract, by issue of Employer's Notification of Award No. dated and the same having been unequivocally accepted by the Contractor, resulting into a Contract bearing No.....dated..... valued at for/*[Name of Contract]*(hereinafter called the 'Contract') and the Employer having agreed to make an interest bearing advance ('said Advance') to the Contractor amounting to..... (in words and figures).... in terms of the said Contract for performance of the above Contract against Bank Guarantee to be furnished by the Contractor.

We...../*[Name and address of the Bank]*..... having its Head Office at..... (hereinafter referred to as the 'Bank', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay the Employer, immediately on demand any or, all monies payable by the Contractor to the extent of/*[110% of advance amount]*..... as aforesaid along with interest @% per annum on the Advance amount released by the Employer calculated from the date of release of the said advance by the Employer to the Contractor, at any time upto(#). without any demur, reservation, contest, recourse or protest and/ or without any reference to the Contractor. Any such demand made by the Employer on the Bank shall be conclusive and binding as to the amount and interest claimed by the Employer under this guarantee notwithstanding any difference between the Employer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Bank

undertakes not to revoke this guarantee during its currency without previous consent of the Employer and further agrees that the guarantee herein contained shall be enforceable till ninety (90) days after expiry of its validity.

The Employer shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee, from time to time to vary the advance or to extend the time for performance of the Contract by the Contractor. The Employer shall have the fullest liberty without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the Contractor, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Contract between the Employer and the Contractor or any other

course or remedy or security available to the Employer. The Bank shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Employer or any other indulgence shown by the Employer or by any other matter or thing whatsoever which under law would but for this provision, have the effect of relieving the Bank.

The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Contractor and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor's liabilities.

Notwithstanding anything contained hereinabove our liability under this guarantee is limited to*[110% advance amount]*..... along with interest thereon as aforesaid and it shall remain in force up to and including(#)...... and shall be extended from time to time for such period (not exceeding one year), as may be desired by M/s.....[Contractor's Name]..... on whose behalf this guarantee has been given.

Dated this day of 20 at

(Signature).....

(Name).....

.....
(Designation with Bank Stamp)

.....
(Official e-mail ID)

Authorized Vide Power of Attorney
No.....

Dated.....

- Notes:** 1. (#) This date shall be ninety (90) days beyond the date of Completion of the last Facility covered under the package.
- (@) The rate of interest shall be "SBI 1-year MCLR as on 01st April of applicable year in which such interest is accrued + 100 bps" per annum. The

applicable rate (SBI year MCLR + 100 bps per annum) would be notified by Employer annually for each year.

2. The stamp papers of appropriate value shall be purchased in the name of guarantee issuing Bank or the Party on whose behalf for BG is being issued. The Bank Guarantee shall be issued on a stamp paper of value as per applicable Stamp Act(s).
3. While getting the Bank Guarantee issued, the contractor is required to ensure compliance to the points mentioned in the Form of Bank Guarantee Verification Check List. Further, the Contractor is required to fill up this Form and enclose the same with the Bank Guarantee.
4. The Bank Guarantee shall be from a Bank as per provisions of the Bidding Documents.
5. In case, Bank Guarantee is getting issued from State Bank of India, Contractor to take note of NTPC letter ref. NTPC/FC/CS/BG/01 dated 03.09.2014 and SBI letter ref. CAG-I/AMT-1/2014-15/370 dated 04.09.2014 (attached with Section-III of Bidding Documents).
6. BG against advance payment will be mandatorily submitted in the form of e-BG, and no physical BG will be accepted.

7(iii). Bank Guarantee Form for Advance Payment

(In case of Contract awarded to Joint Venture)

Names of all JV Partners shall appear in the Bank Guarantee

NTPC LIMITED

BANK GUARANTEE/INSURANCE SURETY BOND VERIFICATION CHECKLIST

1. Bank Guarantee/Insurance Surety Bond No.
2. Issuing Bank/Insurer
3. Amount of BG/Insurance Surety Bond
4. Nature of BG/Insurance Surety Bond & No. of Pages
5. Validity of BG/Insurance Surety Bond
6. Package Description
7. Party & Contracts Ref. Name, Address, Tel, Fax, e-mail, Contract No. Package Name
8. Bank/Insurer Reference Name, Address, Tel. Fax, E-mail

CHECK LIST

S.No.	Details of Checks	Yes/No
a)	Is the BG/Insurance Surety Bond on non-judicial stamp paper / e-stamp paper of appropriate value, as per applicable Stamp Act(s)?	
b)	Whether date, purpose of purchase and name of the purchaser are indicated on the stamp paper? (The date of purchase of stamp paper should be of any date on or before the date of execution of BG/Insurance Surety Bond and the stamp paper should be purchased either in the name of the executing Bank/Insurer or the Party on whose behalf the BG/Insurance Surety Bond has been issued. The stamp paper (other than e-stamp paper) should be duly Signed by the Stamp Vendor)	
c)	In case of BG/INSURANCE SURETY BONDS from Bank/Insurance Company abroad, has the BG/INSURANCE SURETY BOND been executed on Letter Head of the Bank/Insurance Company?	
d)	Has the executing Officer of BG/Insurance Surety Bond indicated his name, designation and Power of Attorney No. / Signing Power No. etc. on the BG/Insurance Surety Bond?	

- e) Is each page of BG/Insurance Surety Bond duly signed/initiated by executant and whether stamp of Bank/Insurer is affixed thereon? Whether the last page is signed with full particulars under seal of Bank/Insurer as required in the prescribed proforma?
 - f) Does the Bank Guarantee/Insurance Surety Bond compare verbatim with the Proforma prescribed in the Bid Documents?
 - g) In case of any changes in contents of text, whether changes are of minor / clerical nature (which in no way limits the right of NTPC in any manner)?
 - h) In case of deviations in text of BG, which materially affect the right of NTPC, whether the changes have been agreed based on the opinion by Legal Department or BG is considered acceptable on the basis of opinion of Law Department already available on the similar issue.
 - i) Are the factual details such as Bid Document No., NOA / LOA / Contract No., Contract Price, Percentage of Advance, Amount of BG/Insurance Surety Bond and Validity of BG/Insurance Surety Bond correctly mentioned in the BG/ Insurance Surety Bond?
 - j) Whether overwriting / cutting if any on the BG/ Insurance Surety Bond have been properly authenticated under signature & seal of executant?
 - k) Whether the BG/Insurance Surety Bond has been issued by a Bank/Insurer in line with the provisions of Bid/Contract Documents?
 - l) In case BG has been issued by a Bank other than those specified in Bid/Contract Document, is the BG confirmed by a Bank in India acceptable as per Bid/Contract Documents?
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Certified that the Bank Guarantee submitted has been verified and accepted in line with the prescribed procedure.

NOTE:

- (i) The Executive from Concerned Execution Department shall verify the BG/ Scanned copy of BG in the system in line with the prescribed procedure and the same shall be digitally approved in the system. The BG shall not be approved at a level lower than the DGM.
- (ii) Dealing Executive of UT at the level of E5/E6 shall certify that BG has been verified from the issuing bank.