



TENDER DOCUMENT
for
Printing of Annual Reports
(Shareholders' Version & Deluxe Version)
For the Year 2009-10

LAST DATE OF RECEIPT OF TENDER: 4TH JUNE 2010
TENDER No. REC/4/3/2010(ADMIN)



Endless energy. Infinite possibilities.

Rural Electrification Corporation Limited

A Government of India Enterprise

Core-4, SCOPE Complex, 7 Lodi Road, New Delhi-110 003,

Tel. : 24365161, Fax: 24360644, E-mail: reccorp@recl.nic.in. Website: www.recindia.nic.in

NOTICE INVITING TENDERS (NIT) FOR PRINTING OF ANNUAL REPORT 2009-10 – SHAREHOLDERS VERSION & DELUXE VERSION

TENDER DOCUMENT

Rural Electrification Corporation Limited (REC), a Government of India Enterprise, invites '**Sealed Bids**' for printing of Annual Report for the year 2009-10– Shareholders' Version and Deluxe Version. The scope of work, specifications and pre-qualification criteria are given in Annexure-1. The format for Techno-commercial Bid is placed at Annexure – 2 and that of Financial Bid at Annexure- 3.

The bids are to be sent in two parts – one sealed enveloped superscribed as '**Techno-commercial Bid**' giving details in the format as per Annexure-2 and the second sealed envelope superscribed as '**Financial Bid**' in the format at Annexure-3. The two sealed envelopes as above will be placed in another sealed envelope superscribed as '**BID FOR ANNUAL REPORT 2009-10' AND 'NOT TO BE OPENED BEFORE 4.6.2010'**'. The bids shall be signed by a person duly authorized on behalf of the bidder firm and shall be sent to :-

Shri A.K. Arora,
DGM (Administration),
Rural Electrification Corporation Limited,
Core-4, SCOPE Complex,
NEW DELHI – 110 003

2. Tentative requirement of Printing of Annual Report for the year 2009-10 is as under:

| | | |
|-------------------------------|---|------------------------|
| i) Shareholder version | | |
| English | - | 2,90,000 copies |
| Hindi | - | 1,000 copies |
| Total | - | 2,91,000 copies |
| ii) Deluxe version | | |
| English | - | 1,500 copies |
| Hindi | - | 250 copies |
| Total | - | 1,750 copies |

The specifications are given in Annexure-I.

3. The sealed bids will be received by REC up to 3.00 PM on 4.6.2010. Any bid received after the prescribed deadline shall not be considered irrespective of rates. The Techno-Commercial bids will be opened on the same date i.e. 4.6.2010 at 4.00 PM in the presence of the representatives of the bidders present. Date of opening of financial bids of such firms which meet the prescribed techno-commercial criteria will be notified separately.

4. Earnest Money (EMD) of Rs.2.5 lakh (Rupees two lakh fifty thousand only) should accompany the **Techno-commercial bid document**. The EMD shall be paid in the form of Demand Draft/Banker Cheque from a Nationalized bank/Scheduled commercial bank in favour of Rural Electrification Corporation Limited payable at New Delhi. Such EMD shall not carry

any interest. Any bid not accompanied by requisite EMD shall be deemed to be invalid and will be rejected by REC.

5. The EMD shall be forfeited:

- a) If the bidder withdraws his bid during the period of bid validity.
- b) In the case of successful bidder, if he fails to furnish the required Performance Gurantee within the specified time limit.

6. The EMD of successful bidder shall be retained towards making of the security for the performance of the contract and shall only be discharged after submission of the required Performance Guarantee.

7. The bid shall remain valid for a period of 4 months from the date of receipt of the bid.

8. The scope of work, specifications and the pre-qualification criteria are given in Annexure-I.

9. RATES AND PRICES

9.1 Bidders should quote the rates in the format given at Annexure-3. The bidders should quote rates both for Shareholders' Version as well as Deluxe Version besides for 'Additional and Differential Charges'. Incomplete bids will summarily be rejected.

9.2 All statutory duties and taxes (including excise and customs) VAT and other charges that may be payable by the bidder in connection with supply may be clearly specified. Price quoted shall be firm and any variation in rates, prices or terms during validity of the offer shall require forfeiture of the EMD.

9.3 No additional freight or any other charges, etc, would be payable for supply and delivery of the reports at Corporate Office. Charges for dispatch of shareholder reports would however be payable as per Annexure-III

10. TERMS OF PAYMENT

10.1 Payment will be released within a fortnight after satisfactory completion of work and receipt of bill, independently for shareholders' version and for deluxe version as per terms of payment given in Annexure-I.

11. TENTATIVE TIME SCHEDULE FOR EXECUTION OF WORK

11.1 Shareholders' version

| | | |
|------|---|------------|
| i) | Last date for receipt of offers and opening of Techno-Commercial bids | 04.06.2010 |
| ii) | Evaluation of Techno-commercial bids and opening of Financial Bids | 09.06.2010 |
| iii) | Evaluation of bids and issue of work order | 16.06.2010 |
| iv) | Finalisation of design, layout, charts and graphs by the printer and submission of Dummy Report | 25.06.2010 |
| v) | Delivery of Preliminary Data, graphs, charts to the printer | 02.07.2010 |
| vi) | Submission of 1st Dummy Annual Report by the printer | 06.07.2010 |

| | | |
|-------|---|------------|
| vii) | Finalisation of design by REC and delivery of final printing material to the printer (English [@] version) | 08.07.2010 |
| viii) | Submission of 1 st proof of printed Annual Report (English version) | 12.07.2010 |
| ix) | Return of 1 st proof with suggested changes to the printer | 14.07.2010 |
| x) | Submission of 2 nd proof of the Annual Report by printer | 16.07.2010 |
| xi) | Return of 2 nd proof to the printer * | 23.07.2010 |
| xii) | Final delivery of printed Annual Reports to C.O. / Dispatch | 30.07.2010 |
| xiii) | Completion of dispatch activity to shareholders and submission of proof of dispatch | 06.08.2010 |

* : additional proofs shall also be arranged by the printer, if so required by REC.

@ : Hindi translation version printing material is scheduled to be given by REC on 5.8.2010 and the final delivery of Hindi version copies to be effected by 20.8.2010.

11.2 Deluxe version

| | | |
|-------|---|------------|
| i) | Finalisation of design, layout, charts and graphs by the printer and submission of 1 st Dummy Report | 12.07.2010 |
| ii) | Delivery of Preliminary Data, graphs, charts to the printer | 13.07.2010 |
| iii) | Submission of 2 nd Dummy Annual Report by the printer | 19.07.2010 |
| iv) | Finalisation of design by REC and delivery of final printing material to the printer (English [@] version) | 05.08.2010 |
| v) | Submission of 1 st proof of printed Annual Report (English version) | 10.08.2010 |
| vi) | Return of 1 st proof with suggested changes to the printer | 12.08.2010 |
| vii) | Submission of 2 nd proof of the Annual Report by printer | 17.08.2010 |
| viii) | Return of 2 nd proof to the printer * | 19.08.2010 |
| ix) | Final delivery of printed Annual Reports to C.O. | 27.08.2010 |

* : additional proofs shall also be arranged by the printer, if so required by REC.

@ : Hindi translation version printing material is scheduled to be given by REC on 10.8.2010 and the final delivery of Hindi version copies to be effected by 31.8.2010.

The above time schedule is tentative but indicative of the time limit. The actual date may vary and the schedule may accordingly be rescheduled.

12. LIQUIDATED DAMAGES FOR DELAY IN SUPPLY

12.1 Time is essence of the contract. The successful bidder must adhere to the time limit and ensure delivery. Failure to supply all or part of the delivery on or before the stipulated date will entail a pre-estimated pre-determined liquidated damages equal to 1% of the value of total contract price per day subject to maximum of 10% of total contract value.

12.2 In case of delay in compliance with the order beyond 10 days of the stipulated time period, REC will have the right to cancel the order besides levying the above liquidated damages.

13. PERFORMANCE GUARANTEE

13.1 The successful bidder shall furnish a performance guarantee for an amount equal to ten (10) percent of the awarded value, within 10 calendar days from the date of acceptance of the bid for due and proper fulfillment of contract.

13.2 EMD of successful bidder shall be discharged after receipt and acceptance of the Performance Guarantee towards full Security Deposit in the valid format. EMD of unsuccessful bidders shall be discharged after award of work to the successful bidder and signing of contract thereof.

13.3 The performance guarantee provided by the successful bidder may be in the form of a bank guarantee from a Nationalized Bank (as per format given in Annexure-4) and should be valid for the period of contract / guarantee from the date of issue.

14. CONCILIATION/ ARBITRATION

14.1 If any dispute (s) or difference (s) of any kind whatsoever arise between the Parties, the Parties hereto shall negotiate with a view to its amicable resolution and settlement through a committee appointed by CMD, REC.

14.2 In the event no amicable resolution or settlement is reached between the parties within 30 days after receipt of notice by one party, then the disputes or differences are detailed above shall be referred to and settled by the Sole Arbitrator to be appointed by CMD, REC.

14.3 Notwithstanding the existence or any dispute or differences and/or reference for the arbitration, the Contractor shall proceed with and continue without hindrance the performance of the work under the contract with due diligence and expedition in a professional manner and the payment due to the Contractor shall not be withheld on account of such difference of arbitration proceedings unless such payment is a subject matter of the arbitration.

14.4 The arbitration proceedings shall be in accordance with the prevailing Arbitration and Conciliation Act, 1996 and Laws of India as amended or enacted from time to time.

14.5 The venue of the arbitration shall be New Delhi, India. The fee & other charges of Arbitrator shall be determined by the arbitrator in terms of the Act and shall be shared equally between the parties.

14.6 The arbitrator will give the speaking and the reasoned Award. The parties will not be entitled to any pendente-lite interest during arbitration proceedings.

15. FORCE MAJEURE

15.1 In the event of either party being rendered unable by Force Majeure to perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such Force Majeure shall be suspended for the period during which such cause lasts.

15.2 The term “Force Majeure” as employed herein shall mean acts of God, War, Civil Riots, Fire directly affecting the performance of the Contract, Flood and Acts and Regulations of respective government of the two parties, namely REC and the Contractor.

15.3 Upon the occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing, the beginning of the cause amounting to Force Majeure as also the ending of the said clause by giving notice to the other party within 72 hours of the ending of the cause respectively. If deliveries are suspended by Force Majeure conditions lasting for more than 2 (two) months, REC shall have the option of canceling this contract in whole or part at his discretion without any liability at his part.

15.4 Time for performance of the relative obligation suspended by Force Majeure shall then stand extended by the period for which such cause lasts.

16. APPLICABLE LAW AND JURISDICTION

All matters connected with this shall be governed by the Indian law both substantive and procedural, for the time being in force and shall be subject to the exclusive jurisdiction of Indian Courts at Delhi.

17. No alternative offer shall be considered.

18. REC reserves the right to annul the bidding process at any time prior to award of contract including rejection of any or all bids after the same have been received, without thereby incurring any liability to the affected bidder or any obligation to inform the affected bidder/s on the ground of REC’s action.

19. REC reserves the right to accept/reject any bid and to cancel the bidding process at any time and reject all bids, at any time prior to placement of order, without thereby incurring any liability.

20. Any clarification on the documents may be obtained from:-

| | |
|--|---|
| Shri A.K. Arora DGM (Administration), Rural Electrification Corporation Limited, Core-4, SCOPE Complex, <u>NEW DELHI – 110 003.</u> Telephone No: 43091516 | Mrs.Renu Mittal, Chief Manager (Admn.) Rural Electrification Corporation Limited, Core-4, SCOPE Complex, <u>NEW DELHI – 110 003.</u> Telephone No: 43091673 |
|--|---|

20. After award of LOA, the Contractor is required to enter into a Contract with REC on the terms and conditions as detailed in the tender document.

**SCOPE OF WORK, SPECIFICATIONS AND
PREQUALIFICATION CRITERIA**

A) SCOPE OF WORK

The scope of work shall include printing of Shareholders Version and Deluxe Version Annual Reports as per specifications given hereunder and dispatch of annual reports to shareholders in respect of shareholder version and supply of specified number of annual reports of shareholder version and deluxe version at REC C.O. New Delhi. The financial bid shall be inclusive of the charges payable by bidder towards dispatch of shareholder version of annual reports to shareholders. Tentative number of annual reports required to be sent by courier across India and Abroad is given hereunder :

| | |
|-------------------------|--------------|
| a) Across India | 2,70,000 (*) |
| b) Foreign countries | 1,000 |
| c) REC Corporate Office | 20,000 |

(*) State-wise break-up is given in Appendix-A. The actual number may, however differ at the time of work order.

B) TERMS OF PAYMENT

I) For Shareholders' version

- a) 60% on receipt of proof of dispatch of annual reports to the shareholders and receipt of specified no. of copies in REC
- b) 40% on receipt of soft copy / hard copy of courier agency's shareholder-wise record of delivery of at least 90% annual reports to shareholders and receipt of specified number of English and Hindi version copies in REC, and submission of bill.

II. For Deluxe version

100% on receipt of copies in REC and submission of bills

C) SPECIFICATIONS

I. SHAREHOLDERS VERSION

1. Specifications for Annual Report (Shareholders' version)

- 1. Size : 8.25" x 10.50"
- 2. No. of pages : 108 (Text) + 4 (cover)

(Item-2 modified in terms of Corrigendum)

3. Printing process : Quality Web Offset
i) Cover : Four Color
ii) Inside pages : Two Color
4. Designing : Adaptation of the design from cover page of REC Annual Report 2009--10 (Deluxe version) and reproducing it on the cover pages of Shareholders' version will be the responsibility of the Printer.
5. Paper
(i) Cover : 170 gsm Sinarmas Art Paper
(ii) Text: : 41 gsm Paper from ITC/Triveni
6. Quantity : 2,91,000 (English: 2,90,,000; Hindi: 1000)
7. Binding : Centre-Pinning
8. Lamination : Outer cover in Matt lamination

2. Specifications for Envelopes for Annual Report (Shareholders' version):

1. No. of Envelopes (50 micron plastic recyclable) : 2,90,000
2. Size : 8.35" x 11.00" (flap 2") Or Appropriate size to ensure that Annual Report (Shareholders version) properly fits into the envelopes.
3. Printing: In Hindi and English on front side of the envelopes in single color.

3. Dispatch of Annual Reports :

i) To shareholders:

The Annual Reports will be dispatched directly by the bidder through reputed national courier agency to the required number of shareholders. Soft copy (in a C.D.) of addresses of shareholder`s will be provided by REC. The dispatch activity will be completed as per the time schedule given in clause 10.1 of the tender document.

ii) To REC C.O.

Specified number of copies will be supplied at REC Corporate Office, New Delhi as per time schedule given in clause 11.1 of tender document.

II. DELUXE VERSION

1. Specifications for Annual Report (Deluxe version)

| | | |
|-----------------------|---|--|
| 1. Size | : | 8 ¼” x 11 ¾” (International A4) |
| 2. No. of pages | : | 124(Text) + 4 (cover) |
| 3. Printing process | : | Quality Offset |
| i)Cover | : | Four Color |
| ii) Inside pages | : | Four Color |
| 4. Designing | : | Cover page design would be finalized by REC in-house and a soft copy of the same would be supplied in CD besides a hard copy. Design of inside pages is to be arranged by the printer in the backdrop of REC Annual Report for the year 2008-09. |
| 5. Paper | | |
| i) Cover | : | 300 GSM imported Art Card (Magnostar) |
| ii) Inside pages | : | 135 GSM imported Art Paper (Magnostar) |
| 6. Quantity | : | 1,750 (English: 1500; Hindi: 250). |
| 7. Binding | : | Section sewing, cover creasing and perfect binding |
| 8. Lamination | : | Outer cover in Matt lamination |
| 9. Photographs/Graphs | : | 26 (all in mm size – 300 sq. cms.) |
| 10. Proofing | : | Epson proofing of photographs / Graphs/Maps/Charts |

2. Specifications for Envelopes for Annual Report (Deluxe version):

| | | |
|---------------------|---|---|
| i) No. of envelopes | : | 800 |
| ii) Paper | : | 120 gsm Ballarpur paper |
| iii) Size: | : | 9” x 12¼” (flap 2”) Or Appropriate size to ensure that Annual Report (Deluxe version) properly fits into the envelopes. |
| iv) Printing | : | In Hindi and English on front side of the envelopes in single color |

Note : Complete delivery of printed annual reports and envelopes is to be effected at one or more places in the NCR as may be specified by REC within the time schedule and terms indicated in clause 11.2 of the Tender Document.

D) PRE-QUALIFICATION CRITERIA

The bidder should have a valid income tax Pan No. and Tin No. The average annual turn over of the bidders for the last 3 years should be more than Rs. 55 lakhs. The bidder should have printed and supplied Annual Reports for PSU/Public Ltd. Company with atleast (i) 3,00,000 copies of Annual Reports with order value not less than Rs.55 lakh in a single order; or (ii) 1,90,000 copies with order value of not less than Rs.34 lakh each in two orders; or (iii) 1,50,000 copies with order value of not less than Rs.27 lakh each in three orders.

Besides, the bidders should have the required infrastructure as per following details :

Should have at least

- (i) Four automatic high speed web printing machines including one multi colour automatic high speed web printing machine;
- (ii) One automatic folding machine;
- (iii) One automatic gang/saddle/central stitching machine

The bidder should submit photocopies of documents in support of prescribed pre-qualification criteria as above including copy of satisfactory job completion certificate from concerned clients.

**Tentative Total State-wise Dispatch of Shareholders, version Report
(as on 07.05.2010)**

| S.No. | State | Nos. |
|-------|-----------------------------|---------------|
| 1 | Union Territory | 2287 |
| 2 | Andhra Pradesh | 10668 |
| 3 | Arunachal Pradesh | 9 |
| 4 | Assam | 615 |
| 5 | Bihar | 3486 |
| 6 | Chandigarh | 1717 |
| 7 | Delhi | 35312 |
| 8 | Goa | 508 |
| 9 | Gujarat | 54130 |
| 10 | Haryana | 7604 |
| 11 | Himachal Pradesh | 326 |
| 12 | Jammu & Kashmir | 300 |
| 13 | Karnataka | 13900 |
| 14 | Kerala | 2869 |
| 15 | Madhya Pradesh | 6192 |
| 16 | Maharashtra | 68138 |
| 17 | Meghalaya | 71 |
| 18 | Nagaland | 19 |
| 19 | Orissa | 1227 |
| 20 | Punjab | 3665 |
| 21 | Rajasthan | 18057 |
| 22 | Tamil Nadu | 12855 |
| 23 | Tripura | 16 |
| 24 | Uttar Pradesh | 12927 |
| 25 | West Bengal | 13283 |
| | Total (within India) | 270181 |
| | Outside India | 1000 |

PRINTING OF ANNUAL REPORT 2009-10 – TECHNO-COMMERCIAL BID**1. THE FIRM**

a) Name _____

b) Regd. Address _____

c) Address of Office at Delhi/NCR _____

d) Contact Person's

i) Name & Design. _____

ii) Address _____

iii) Tel No. Landline _____ Mobile _____

iv) Email ID _____

2. Type of Firm : Private Ltd./PublicLtd./ Cooperative/
NGO/PSU(Please tick and enclose copy of Memorandum/ Articles of
Association/ Certificate of Incorporation)_____ enclosed.
(Pl. specify)3. PAN No. : _____
(Please enclose photocopy)4. TIN No. : _____
(Please enclose photocopy)

5. Annual Turnover for the last 3 years :
(Should be more than Rs.55 lakh)

(Please enclose copies of audited balance sheet and P&L A/c /Annual Reports)
_____ enclosed (Pl. specify)

6. Experience of similar work in the field during the last three years

(Should have printed and supplied Annual Reports for PSU/Public Ltd. Company with atleast (i) 3,00,000 copies of Annual Reports with order value not less than Rs.55 lakh in a single order; or (ii) 1,90,000 copies with order value of not less than Rs.34 lakh each in two orders; or (iii) 1,50,000 copies with order value of not less than Rs.27 lakh each in three orders)

- Please submit copies of documentary evidence i.e. receipted challans; or invoice copies; or corresponding satisfactory job completion certificates from clients specifying no. of copies and order value.

_____ enclosed (pl. specify)

7. Infrastructure Details

(Should have atleast (i) Four automatic high speed web printing machines including one multi colour automatic high speed web printing machine; (ii) One automatic folding machine; and (iii) One automatic gang/saddle/central stitching machine)

- Please attach details duly certified by a CA Firm

_____ enclosed (pl. specify)

8. Earnest money details : DD No. _____ dated _____
Amount Rs.2.5 lakh
Drawn On

Signatures of authorized signatory

Name _____

Designation _____

Seal:

(IN A SEPARATE SEALED ENVELOPE SUPERSCRIBED AS 'FINANCIAL BID')

ANNEXURE-3

Format for financial bid – REC Annual Report 2009-10

(Amount in Rs.)

| Sl. No | Description | Qty. | Total Price | Taxes & Duties * (Pl.specify) | Total Price (inclusive of taxes & duties) * |
|---------------------------------|--|--|-------------|-------------------------------|---|
| A. SHAREHOLDERS' VERSION | | | | | |
| 1. | Charges (excluding cost of paper) for printing, production, lamination, binding etc. of 2,91,000 copies as per Specifications at Annex. I. | 2,91,000 (2,90,000 in English & 1,000 in Hindi) | | | |
| 2. | Cost of paper for inside 108 pages as per Specifications at Annex.I. (Pl. enclose specimen) | 2,91,000 | | | |
| 3. | Cost of paper for the cover pages 170 GSM Sinarmas Art paper (Pl. enclose specimen) | 2,91,000 | | | |
| 4. | Charges for printing and cost of envelopes as per Specification given in Annex-I. | 2,90,000 | | | |
| 5. | Charges for dispatch of annual reports to shareholders as per Annex I | | | | |
| 6. | Total A (1-5) | | | | |
| B. DELUXE VERSION | | | | | |
| Sl. No | Description | Qty. | Total Price | Taxes & Duties (pl. specify*) | Total Price (inclusive of taxes & duties)* |
| 7. | Charges (excluding cost of paper) for designing, printing, production, lamination, binding etc. of 1750 copies as per Specifications at Annex.IA | 1,750 (1500 in English & 250 in Hindi) | | | |
| 8. | Cost of paper for inside 124 pages as per Specifications at Annex. IA (Pl. enclose specimen) | 1750 (1500 in English & 250 in Hindi) | | | |
| 9. | Cost of paper for the cover pages 300GSM imported Magnostar Art card (Pl. enclose specimen) | 1750 (1500 in English & 250 in Hindi) | | | |
| 10. | Charges for printing and cost of envelopes as per Specification given in Annex- IA | 800 | | | |
| 11 | Total B (6-9) | | | | |
| 12 | GRAND TOTAL (A+B) | | | | |

(*) No reimbursement on account of any additional service tax or any other tax which might not have been included herein will be given by REC on any account. In case, however, there is any change in specified statutory taxes/duties at the time of delivery/billing, the same would be applicable.

.....contd.

| Sl. No. | Description | Rate Quoted (Rs.) (exclusive of taxes & duties [#]) |
|---------|--|--|
| C | ADDITIONAL & DIFFERENTIAL CHARGES - SHAREHOLDERS' VERSION | |
| | i) Cost of printing and paper ± 4 pages | |
| | ii) Cost of printing and paper for ± 100 quantity of reports | |
| | iii) Cost of dispatch / courier within India ± 10 units | |
| | iv) Cost of dispatch / courier outside India \pm each unit | |
| D | ADDITIONAL & DIFFERENTIAL CHARGES - DELUXE VERSION | |
| | i) Cost of printing and paper ± 4 pages – One colour | |
| | ii) Cost of printing and paper ± 4 pages – Two colour | |
| | iii) Cost of printing and paper ± 4 pages – Four colour | |
| | iv) Cost of printing and paper for ± 100 quantity of reports | |
| | v) Designing of cover page to the satisfaction of REC [@] | |

@ Although designing of cover page is proposed to be done in-house; in case it is decided to go in for designing of cover page through printer, the rates quoted would be applicable.

Taxes and duties quoted for A&B would be applicable.

The terms and conditions contained in the Tender Document are acceptable to us.

Signatures of Authorized Signatory

Name _____

Designation _____

Seal:

Proforma for Performance Security

Ref. No. _____ Bank Guarantee No _____
Dated _____

To

Rural Electrification Corporation Limited

Dear Sirs,

1 In consideration of **Rural Electrification Corporation Limited Core-4, SCOPE Complex,7, Lodhi Road, New Delhi** (hereinafter called the "Owner" which expression shall unless repugnant to the subject or context include its successors and assigns) having entered into a contract No. _____ dated _____ (hereinafter called 'the Contract' which expression shall include all the amendments thereto) with M/s _____ having its registered/head office at _____ (hereinafter referred to as the 'Contractor') which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) and REC having agreed that the Contractor shall furnish to REC a performance guarantee for Indian Rupees/US\$ for the faithful performance of the entire contract.

2. We (name of the bank) _____ registered under the laws of _____ having head/registered office at _____ (hereinafter referred to as "the Bank", which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay immediately on first demand in writing any /all moneys to the extent of Indian Rs./- (in figures) _____ [Indian Rupees/- (in words) _____] without any demur, reservation, contest or protest and/or without any reference to the Contractor. Any such demand made by REC on the Bank by serving a written notice shall be conclusive and binding, without any proof, on the bank as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thing whatsoever, as liability under these presents being absolute and unequivocal. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by REC in writing. This guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the Contractor and shall remain valid, binding and operative against the bank.

3. The Bank also agrees that REC 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 REC may have in relation to the Contractor's liabilities.

4. The Bank further agrees that REC 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 contract or to extend time of performance by the said Contractor(s) from time to time or to postpone for any time or from time to time exercise of any of the powers vested in REC against the said Contractor(s) and to forbear 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 variation, or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of REC or any indulgence by REC to the said Contractor(s) or any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

5. The Bank further agrees that the Guarantee herein contained shall remain in full force during the period that is taken for the performance of the contract and all dues of REC under or by virtue of this contract have been fully paid and its claim satisfied or discharged or till REC discharges this guarantee in writing, whichever is earlier.

6. This Guarantee shall not be discharged by any change in our constitution, in the constitution of REC or that of the Contractor.

7. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.

8. The Bank also agrees that this guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of Indian Courts of the place from where the purchase order has been placed.

9. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to Indian Rs./ (in figures) _____ [Indian Rupees/- (in words) _____] and our guarantee shall remain in force until 30.9.2010 at least 30 days after final delivery of the Annual Reports whichever is later. In case of any delay in delivery, Performance Guarantee will be suitably extended.

Any claim under this Guarantee must be received by us before the expiry of this Bank Guarantee. If no such claim has been received by us by the said date, the rights of REC under this Guarantee will cease. However, if such a claim has been received by us within the said date, all the rights of REC under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

In witness whereof, the Bank through its authorised officer has set its hand and stamp on this day of 20 at

WITNESS NO. 1

(Signature)
Full name and official
address (in legible letters)
Bank stamp

(Signature)
Full name, designation and
address (in legible letters) with

Attorney as per Power of
Attorney No.....
Dated

WITNESS NO. 2

(Signature)
Full name and official
address (in legible letters)