

INDEMNITY BOND FOR COLLECTION OF RAW MATERIAL/ FINISHED GOODS

PURCHASE ORDER NO. DT.....
OF GARDEN REACH SHIPBUILDERS & ENGINEERS LTD.

THIS BOND OF INDEMNITY made this day of by the M/s....., having its office and place of business situated at (registered office address)..... and Factory/Works address at _____, hereinafter referred to as the ‘CONTRACTOR’, which expression shall unless excluded by or repugnant to the context be deemed to include all its successors in interest and assigns where the context shall so permit, in favour of Garden Reach Shipbuilders & Engineers Ltd, a Govt. Company incorporated under the companies Act, 1956, having its registered office at 43/ 46, Garden Reach Road, Kolkata – 700 024, hereinafter referred to as the ‘PRINCIPAL’ which expression shall unless excluded by or repugnant to the context be deemed to include all its successors in interest and assigns where the context shall so permit.

WHEREAS the contractor has entered into a contract with the principal bearing purchase order no. Dt. for hereinafter referred to as the contract.

AND WHEREAS in accordance with the provisions of the said contract, the principal will supply and the contractor will take into its possession and/ or custody necessary Process material, raw material/ finished goods worth of Rs. (Rupees only) (hereinafter referred to as the ‘GOODS’) for the performance of the said contracted job at Contractor’s premises having its Works/Factory address _____ where the job to be carried out.

AND WHEREAS the contractor shall be fully responsible for the safe custody of the said goods while the same will be in their possession for performance of the contracted job and for returning the same to the principal on completion of the contracted job in acceptable condition upon the inspection by the concerned inspection authority of the principal as specified in the aforesaid contract.

AND WHEREAS it is one of the provision of the said contract that the contractor shall execute an indemnity bond amounting to Rs. (Rupees only) in favour of the principal duly indemnifying the principal of from and against any or all losses and damages which the principal may suffer for non-return of the said goods in acceptable condition by the contractor for any reason whatsoever or on any ground whatsoever.

AND WHEREAS it is also one of the terms of the said contract that the principal shall obtain a comprehensive policy of insurance in the name of the principal for an amount equivalent to the value of the goods against loss, partial loss, damage, partial damage and/ or deterioration partial deterioration of the goods due to happening of any or all of the contingencies while the goods are in the custody of the contractor, like Risk of Fire, Riot, Strike, Burglary, Theft, Transit loss including Fidelity guarantee of the contractor during storage of the goods at the premises / workshop of the contractor and/ or during the operational process i.e. deviation from the specified design/ drawing and/ or other specification and/ or standard causing rejection of the finished/ converted goods by the inspection authority of the principal. Cost of premium arisen out of insurance coverage will be recovered from the contractor's bill by the principal and the contractor has agreed for the same.

AND WHEREAS the contractor has agreed to execute a bond of indemnity in favour of the principal indemnifying the principal of from and against any loss and damage which the said principal may suffer or be put to suffer for non-return of the said goods in acceptable condition by the contractor for any reason or ground whatsoever.

NOW THESE PRESENTS WITNESSES that in pursuance of the said contract and in consideration of the goods being supplied and delivered to the contractor for the said contracted job and in pursuance of the said contractor taking possession of the said goods in its faithful custody, the contractor hereby covenant and promise with the principal that they, the contractor, is responsible for the safe custody of the said goods until delivery of the same back to the principal in acceptable condition upon due inspection by the inspection authority of the of the principal, after performance of the contracted job and that the contractor shall and will keep the principal harmless and indemnified of from and against any or all losses, damages, costs, charges and expenses which the said principal may suffer, incur or be put to suffer, incur by reason of non-returning of the said goods by the contractor to the principal after performing the contracted job, for any reason or ground whatsoever and that the quantum of such loss or damage including consequential loss, if any, to be fixed by the principal shall be final, conclusive and binding upon the contractor and the contractor shall pay the said amount merely on a demand in writing from the principal within a fortnight from the date of the said demand.

In witness whereof the contractor has executed these presents on the day month and year first above written.

Signed, Sealed and delivered

By the

Through it's

(SIGNATURE)
(Designation with official seal/stamp)

In the presence of Signature

Name :

Address :

Note: The Indemnity Bond has to be executed by the Managing Director/ CEO/ Official with 'Power of Attorney' of the PSU/ Limited Company affixing common seal.

If common seal is not applicable in case of other classes of firms, Indemnity Bond should be affixed with valid seal of the firm, legally enforceable and to be executed by the Partner/ Proprietor/ official having requisite "Power of Attorney".