

FORMAT OF INDEMNITY BOND FOR FREE ISSUE MATERIAL
(ILLUSTRATIVE FORMAT)

This Indemnity Bond executed by Messers a partnership firm/sole proprietor business/a company registered under the Companies Act, 1956 having its office at(hereinafter called "the Contractor" which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its successors, liquidators and assigns) in favour of Mazagon Dock Limited, a company incorporated under the Companies Act 1956 and having its registered office at Dockyard Road, Mumbai 400010 (hereinafter referred to as the "the Company" which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its successors and assigns).

Whereas the Company herein has awarded to the Contractor a contract vide order no.....dated..... (hereinafter called "the order" which expression shall include any amendments/alterations to "the order" issued by the Company) which, inter alia, provides for the issuance of materials such as etc free of cost to the Contractor for etc. on returnable basis.

Now in consideration of the Company having agreed to permit the Contractor to receive materials (Specify the quantity and name of the materials) and the performance of the Contractor's obligations and /or discharge of the Contractor's liability in connection with the said Order on the production of Indemnity Bond, we the Contractor hereby irrevocably agree and undertake to indemnify the Company from time to time and shall forthwith on demand pay to the Company to the extent of Rs.....being equivalent to the value of the materials supplied by the Company to us against any loss or damage cause to or suffered by the Company by reason of non return of finished product and leftover materials to the Company within the specified time period and / or non performance or for breach of any terms and conditions of the said Order by us.

We, the Contractor further agree that the amount demanded by the Company as such shall be final and binding on us as to the Contractor's liability to pay and the amount demanded. We the Contractor agree that the Company shall have the right to recover amount demanded, without prejudice to any other remedies available, by deducting from any sum at any time hereafter becoming due to the Company under this or any other contract.

We the contractors undertake to pay the Company the amount so demanded on first demand without any demur.

We, the Contractor further agree that the Contractor shall be sole judge of and as to whether there has been any breach of the terms and conditions of this bond and to the extent of loss, damage, costs, charges and expenses caused or suffered by the Company.

We, the Contractor further agree that this indemnity shall remain in full force and effect till _____.

This Indemnity Bond shall be governed by Indian laws and the Courts at Mumbai, shall have the exclusive jurisdiction.

Signed, sealed and delivered by

Dated:

Signature of the contractor with official seal

Witness:

1. (Name & signature)

(Address)

2. (Name & signature)

(Address)

Note: The above Indemnity bond is to be drawn up by the contractor on non-judicial stamped paper of value Rs. 200/-, if it executed in Maharashtra. However, for other places stamp duty is to be levied as per Stamps Act of respective States. The value of stamp paper to be confirmed from Legal Department, MDL.