

Indemnity Bond Format for Bank

ANNEXURE-I: BANK GUARANTEE FORMAT FOR SECURITY DEPOSIT

**Director Directorate of Purchase and Stores
Department of Atomic Energy,
On behalf of The President of India
Government of India,
V.S.Bhavan, Mumbai- 401 094.**

In consideration of the Director, Directorate of Purchase and Stores, Department of Atomic Energy, on behalf of the President of India, (hereinafter referred to as 'the Purchaser') having agreed to exempt M/s. _____ (hereinafter called the said "Contractor") from the demand, under the terms and conditions of a Contract No. _____ dt. _____ made between the Purchaser and Contractor for (hereinafter called the said "Contract"), of security deposit for the due fulfilment by the said Contractor of the terms and conditions contained in the said Contract, on production of Bank Guarantee for Rs. _____ (Rupees _____ only), we _____ (hereinafter referred to as "the Bank") on the request of the Contractor do hereby undertake to pay to the Purchaser an amount not exceeding Rs. _____ (Rupees _____ only) against any loss or damage caused to or suffered or would be caused to or suffered by the Purchaser by reason of any breach by the said Contractor of any of the terms and conditions contained in the said Contract.

2. We, the Bank, do hereby undertake to pay the amount due and payable under this Guarantee without any demur, merely on a demand from the Purchaser 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 a breach by the said Contractor of any of the terms and conditions contained in the said Contract or by reason of the Contractor's failure to perform the said

Contract. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs. _____

3. We, the Bank, undertake to pay to the Purchaser any money so demanded notwithstanding any dispute or disputes raised by the Contractor 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 a valid discharge of our liability for payment thereunder and the Contractor shall have no claim against us for making such payment.

4. We, the Bank, further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and that it shall continue to be enforceable till all the dues of the Purchaser under or by virtue of the said Contract have been fully paid and its claim satisfied or discharged or till the Purchaser certified that the terms and conditions of the said Contract have been fully and properly carried out by the said Contractor and accordingly discharges this Guarantee. Unless a demand or a claim under this Guarantee is made on us in writing on or before _____ we shall be discharged from all liability under this Guarantee thereafter. Annexure version 2018-1 Page 48

5. We, the Bank, further agree with the Purchaser that the Purchaser 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 the time for performance by the said Contractor 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 and to forbear or enforce any of the terms and conditions relating to the said Contract and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said Contractor or for any forbearance, act or commission on the part of the Purchaser or any indulgence by the Purchaser to the said Contractor or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of so relieving us.

6. This Guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor.

7. We, the Bank, lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Purchaser in writing.

**Dated the _____ day of _____ 20__ for _____
(Indicate the name of the Bank)**