

**(To be executed on Rs.200/- Non-judicial Stamp paper and notarized)**

**INDEMNITY BOND**

THIS INDEMNITY BOND is executed this ..... day of ..... 2018 by M/s. .... (hereinafter called as “Contractor or Indemnifier which expression shall unless excluded by or repugnant to the context be deemed to include its successors and permitted assigns) in favour of Bharat Heavy Electricals Limited, a company registered under the Companies Act,1956, having its Registered Office at Asiad Village, Siri fort, Asiad, New Delhi 110049 through its HPEP Unit at Ramachandrapuram, Hyderabad hereinafter called as ‘BHEL or Indemnified’ which expression shall unless excluded by or repugnant to the context be deemed to include its successors and permitted assigns)”

Whereas, the Contractor has agreed to execute an Indemnity Bond in favour of BHEL in case of any third party claims against him in terms of Clause 5 of the BHEL NIT Ref. No. .... dt. .... on becoming the Successful bidder.

Whereas the Contractor since now became the Successful bidder in the NIT ..... for supply of .....

Whereas, BHEL proposes to enter into contract with M/s. .... subject to the indemnifier herein indemnifies BHEL as hereinafter mentioned below:

NOW, THEREFORE, the Indemnifier hereby declare and agree as follows:

The Contractor hereby agrees to indemnify BHEL, for all conditions and situations mentioned in this clause, in a form and manner acceptable to BHEL. The contractor agrees to indemnify BHEL and its officers, servants, agents from and against any costs, loss, damages, expense, claims including those from third parties or liabilities of any kind howsoever suffered, arising or incurred inter alia during and after the Contract period out of:

- (a) any negligence or wrongful act or omission by the Contractor or its agents or employees or any third party associated with Contractor in connection with or incidental to the proposed Contract; or
- (b) any infringement of patent, trade mark/copyright or industrial design rights arising from the use of the supplied Goods and Related Services or any part thereof.

The Contractor shall also indemnify BHEL against any privilege, claim or assertion made by third party with respect to right or interest in, ownership, mortgage or disposal of any asset, property, movable or immovable as mentioned in any intellectual Property Rights, licenses and permits.

Without limiting the generality of the provisions of this clause, the Contractor shall fully indemnify, hold harmless and defend BHEL from and against any and all suits, proceedings, actions, claims, demands, liabilities and damages which BHEL may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims, of infringement of any domestic or foreign patent rights, copyrights or other intellectual property, proprietary or confidentially rights with respect to any Goods, Related Services, information, design or process supplied or used by the Contractor in performing the Contractor's obligations or in any way incorporated in or related to the Contract. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Contractor shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the suspension of the injunction or restraint order. If, in any such suit, action, claim or proceedings, the Goods or Related Services, or any part thereof or comprised therein, is held to constitute an infringement and its use is permanently enjoined, the Contractor shall promptly make every reasonable effort to secure for BHEL a license, at no cost to BHEL, authorizing continuous use of the infringing work. If the Contractor is unable to secure such license within a reasonable time, the Contractor shall, at its own expense, and without impairing the specifications and standards, either replace the affected work, or part, or process thereof with non-infringing work or part or process, or modify the same so that it becomes non-infringing.

If any Product delivered to BHEL is held to infringe any patent, trademark, trade secret or copyright, or other proprietary right and BHEL or its customer is enjoined from using that Product, Contractor will, as soon as is reasonably possible, using all reasonable efforts and at its expense, do one of the following: (i) procure for BHEL the right to continue to use the Product free from any liability for that infringement, or (ii) replace the Product with a non-infringing substitute which substantially complies with the requirements of the proposed Contract mentioned above or (iii) if actions at (i) and (ii) do not materialize within reasonable time, thereby, affecting progress of the project for which the material is intended, the contract or herein authorizes BHEL to resort to risk purchase and recover additional cost incurred along with its Overheads.

**IN WITNESSES WHERE OF** the contractor/Indemnifier M/s ..... has caused these presents to be executed on its behalf in the manner hereinafter mentioned on the day and year first hereinabove written.

Signed and delivered by  
.....

M/s. .... in the presence of:

Witnesses:.

(1)

(2)