

Defects Liability Bond

BOND NO: _____

Date of Execution: _____

Amount: INR _____

By this Bond

KNOW ALL MEN BY THESE PRESENTS, That we, [Name of Contractor], having its registered office at [Registered Address] (hereinafter called "the Contractor") as Principal, and [Name of Surety/Bond Issuer], a company incorporated under the laws of India and having its registered office at [Surety Address] (hereinafter called "the Surety"), are held and firmly bound unto [Name of Employer/Owner], having its address at [Owner Address] (hereinafter called "the Employer"), in the sum of INR [Amount in figures and words], (hereinafter called "the Bonded Sum") for the due payment thereof.

Whereas

The Contractor has entered into a contract dated [Contract Date] ("the Contract") with the Employer for execution of [Name of Project/Work Package] ("the Works") on the terms and conditions set forth in the Contract.

The Contractor is required by the terms of the Contract to provide this Defects Liability Bond as security for the due rectification of defects which may manifest during the defects liability period as specified in the Contract.

Now the Condition of this Obligation is such that

If the Contractor shall, during the defects liability period as defined in the Contract, remedy at its sole expense all defects, shrinkages, and other faults in the Works in accordance with the provisions of the Contract, then this Bond shall be void; otherwise, it shall remain in full force and effect.

The surety's liability under this Bond shall not exceed the Bonded Sum. This Bond is valid from [Start Date] to [Expiry Date].

Signed, Sealed, and Delivered by

For Contractor: _____

Name & Designation: _____

Date: _____

For Surety: _____

Name & Designation: _____

Date: _____

Witnesses:

1. Name: _____ Signature: _____

2. Name: _____ Signature: _____

Important Notes

- This bond provides financial assurance for correction of defects during the defects liability period as

stipulated in the contract.

- It does not cover damages not classified as defects under the contract terms.
- The amount and validity should align strictly with the contract conditions.
- Ensure all parties (contractor, surety, employer) sign and retain original copies.
- Legal review is recommended before execution to comply with statutory requirements.