

INDEMNITY BOND WITH SURETY

This indemnity is made and executed on this _____ day of _____ 20__ by Shri/Smt. _____ S/o/ D/o/ W/o Shri _____ a permanent resident of _____ hereinafter called "Employee" AND Shri _____ S/o/D/o/W/o Shri _____ age _____ a permanent resident of _____

hereinafter called "Surety", IN FAVOUR OF' Punjab & Sind Bank, a body corporate constituted under the provisions of Banking Companies (Acquisition & Transfer of Undertakings) Act 1980 having its Head Office at "Bank House", 21- Rajendra Place New Delhi -110008 hereinafter called "Employer Bank".

The terms 'Employee', 'Surety' and the 'Employer Bank' unless repugnant to the context shall mean and include their heirs, legal, representatives, successors, executors and administrators.

WHEREAS the Employee has been selected for appointment as Probationary Officer in Junior Management Grade Scale- I in the service of the Employer Bank.

WHEREAS an Offer of Appointment containing the terms and conditions of appointment has already been issued by the Employer Bank to the Employee vide letter dated _____ 20__.

WHEREAS one of the conditions of the appointment is that the Employees shall serve the Employer Bank for a minimum period of three years from the date of joining the Employer Bank and has to furnish an Indemnity Bond of Rs.50,000/- (Rs. Fifty Thousand only) with one surety acceptable to the Employer Bank.

NOW THIS INDENTURE WITNESSED as under:

1. In compliance of the aforesaid terms & conditions in the Offer of Appointment, subject to which the Employer Bank has agreed to give appointment to the Employee, the Employee hereby undertakes to serve the Employer Bank for a minimum period of three years from the date of joining and will not leave the services of the Bank without rendering service for a period of three years.
2. Shri/Smt. _____ agrees to stand as Surety for the due performance of the obligation of the Employee under this bond/agreement. In case of breach of the terms of this indemnity by the Employee and failure to indemnify the Employer Bank, the Surety shall jointly and severally liable to pay the aforesaid amount of Rs.50,000/- (Rs. Fifty Thousand only) plus applicable taxes to Employer Bank immediately.

3. The Employee further agrees and undertakes that in case he/she commits breach of the above condition and resigns or leaves/abandon the service and/or neglects in performance of the duties assigned to him/her leading to termination of his/her service as per rules/regulations shall pay Rs. 50,000/- (Rs. Fifty Thousand only) plus applicable taxes with the interest thereon @ 12% per annum from the date of breach of the above till the payment is made as liquidated damages. The employee and surety agrees that assessment of liquidated damages as assessed at Rs.50,000/- (Rs. Fifty Thousand only) plus applicable taxes is just & reasonable, which they both agree to pay jointly and severally to the employer bank.
4. Notwithstanding anything contained herein above, furnishing of this indemnity will not confer any right in favour of the Employee to continue in the service of the Employer Bank for the aforesaid term of three years, and the Employer-Bank shall always have the right to take appropriate action, as deemed fit, against the Employee as per terms of the appointment letter and/or the rules and regulations of the employer bank as applicable, in case of commission of any misconduct by the Employee.
5. The amount specified above shall constitute a debt owing to the Employer-Bank and shall be recoverable from the Employee and the Surety, jointly and severally, with interest thereon at the rate specified above till the date of payment.
6. This bond and the rights and obligations shall in all respect be governed by the laws of Union of India. For breach of any right or obligations of whatsoever nature arising out of the bond or employment shall be deemed to have arisen within the territorial jurisdiction of Delhi courts only.

IN WITNESS whereof, the EMPLOYEE & the SURETY have put their signatures in the presence of the witnesses on this ____ day of _____ 20__ at _____.

EMPLOYEE

SURETY

1. WITNESS:
NAME & ADDRESS:

2. WITNESS:
NAME & ADDRESS: