

G.A.R. 47

[See sub rule 3 of rule 86]

FORM OF INDEMNITY BOND TO BE EXECUTED BY PUBLIC SECTOR BANKS IN CONNECTION WITH PAYMENT OF LEAVE SALARY, VACATION PAY AND ALLOWANCES.

THIS BOND OF INDEMNITY executed at.....this..... day of by..... (Name of the bank) a corporation established/incorporated under the State Bank of India Act 1955/ State Bank of India (Subsidiary Banks) Act 1959/ Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980/Companies Act and having its head office at..... (hereinafter referred to as "the Bank", which term shall unless repugnant to the context includes its successors and assignees) in favour of the President of India (hereinafter referred to as "the Government")

WHEREAS:

- (i) The Government through its Drawing and Disbursing officers pays from time to time leave salary, vacation pay and allowances to its employees during their absence from official duty in accordance with the Rules and Regulations in force in that behalf.
- (ii) The Drawing and Disbursing officers of the Government are required inter alia to satisfy themselves before paying the leave salary, vacation pay and allowances, that the person entitled thereto was alive and in the case of leave salary during study leave/other types of leave combined with it, that he continues to prosecute studies during the said period of leave.
- (iii) The Government has agreed that, without insisting on or requiring the compliance with the said condition by the person entitled to claim the leave salary, vacation pay and allowances or any of them the same would be paid to the person through the bank who are customers or constituents of the bank, on the condition that the bank shall satisfy itself about the authenticity or correctness of person claiming such payment.
- (iv) The Bank has agreed to receive the payment of leave salary, vacation pay and allowances or any of them (hereinafter referred to as "the said amount") on account of the person entitled to claim the said amount from the Government through its Drawing and Disbursing Officers as aforesaid and indemnify the Government for any loss that may be caused to the Government as a result of the Government not insisting on complying with the condition of obtaining proof of being alive and in the case of leave salary study leave/other types of leave combined with it of continuing to prosecute studies during the said period of leave and agreeing to pay the said amount to the person entitled thereto through the bank.

NOW THIS INDEMNITY WITNESSES THAT in pursuance of the said agreement and in consideration of the Government having agreed to pay through its Drawing and Disbursing Officers to the Bank leave salary vacation pay and allowances due and payable to its employees from time to time without the employees furnishing the said proof the Bank hereby agrees and undertakes to pay to the Government on demand without demur or protest by way of loss or damages which the Government may suffer if it is found or established that such loss or damages has been caused by or directly as a result of the Government waving and not insisting on obtaining the said proof.

2. The Bank further undertakes to and confirms with the Government that on the expiry of 7 days from the date of the Bank being informed or called upon by the Government in that behalf of the loss suffered by or damages caused to the Government, the Bank shall pay the amount of loss or damages to the Government as may be claimed.
3. The amount payable by the Bank in terms of the indemnity herein shall not exceed and shall be restricted upto the amount paid by the Government by way of leave salary" vacation pay and allowances in each case

of its employees.

IN WITNESSES WHERE OF the Bank 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

on behalf of the _____
Bank in the presence of:

Witnesses:

(1)

(2)

* (Name and designation of the official authorised to execute the indemnity)