

Surety bond for employee loan essay

[Economics](#), [Currency](#)



1. In consideration of M/s Bodyguard Fitness Equipment Limited residing at Aundh, Pune (hereinafter called the " Creditor") having agreed to lend Mr. Chulbul Pandey residing at Lavasa, Pune (hereinafter called the " Debtor") a sum of Rs. 5, 00, 000/- (Rupees Five Lakhs Only), Mr.

Rahul Malhotra residing at Chinchwad, Pune (hereinafter called the " Surety") at the request of the Debtor hereby undertakes to pay to the Creditor the said amount of Rs 5, 00, 000/- or any part thereof remaining unpaid in case of default of payment by the Debtor to the Creditor within the time stipulated by him in the separate writing executed by the Debtor - for evidencing the said Debt, in favour of the Creditor. 2. The Surety hereby undertakes to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from the Creditor stating that the amount claimed is due by default of payment by the Debtor. Any such demand made on the Surety shall be conclusive as regards the amount due and payable by the Surety under this Guarantee.

However our liability under this Guarantee shall be restricted to an amount not exceeding Rs. 5, 00, 000/-. 3. The Surety hereby undertakes to pay to the Creditor any money so demanded not-withstanding any dispute(s) raised by the Debtor in any suit or proceeding pending before any court of Tribunal relating there-to the Surety's liability under this present being absolute and unequivocal.

The payment so made by the Surety under this bond shall be valid discharge of his liability for payment there under and the Debtor shall have no claim against the Surety for making such payment. 4. The Surety further agrees

that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the repayment of the said loan and that it shall continue to be enforceable till all the dues of the Creditor have been fully paid and accordingly discharge this Guarantee. Unless a demand of claim under this Guarantee is made on the Surety in writing on or before the 31/03/2012 the Surety shall be discharged from all liability under this Guarantee thereafter. 5. The Surety lastly undertakes not to revoke this Guarantee during its currency except with the previous consent of the Creditor in writing. THIS GUARANTEE ISSUED ON BEHALF OF Mr.

Chulbul Pandey. NOTWITHSTANDING ANYTHING contained hereinabove the Surety's liability under this Guarantee is restricted to Rs. , 00, 000/- (Rs. Five Lakhs only) and this Guarantee is valid up to 31/03/2012 and the Surety shall be released and discharged from all liabilities hereunder unless a written claim for payment under this guarantee is lodged on the Surety in writing within 1 month from the date of expiry of the Guarantee i. e. on or before 30/04/2012, irrespective of whether or not the Original Guarantee is returned to us.