

CHAPTER-II
PERSONNEL POLICIES

(C)Service Matters

7. Enforcement / transfer of bond in respect of employees of Public Enterprises who leave the services of one Undertaking to join another Undertaking/ Government.

The undersigned is directed to refer to this Department's OMs No. BPE/GL-017/77/MAN/2(11)/75-BPE(GM-I) dated 13.6.1977 and 23.5.1981 and No. 17/20/84-GM dated 5.2.1985 on the subject mentioned above, which were deleted vide this Department's O.M. No. 20(5)/95-DPE(GM) dated 10th December, 1997. After deletion of these guidelines, Department of Public Enterprises received references from various quarters for revival of these guidelines to enable them to regularize enforcement/ transfer of bond in the case of public sector employees joining services in Central Govt./State Govt./Autonomous Bodies. The position has been reviewed and after careful consideration, it has been decided to revive this Department's OMs dated 13.6.1977, 23.5.1981 and 5.2.1985 with the following modifications:

(a) The bond executed by employees of the Public Enterprises, who have received scientific/technical training at the cost of Public Enterprises and have applied through proper channel during the currency of the bond join Central Govt./State Govt. services or take up employment under quasi-government organizations or any other public enterprise either on the basis of competition examinations/tests/interviews organized by those organizations or the Union Public Service Commission should not be enforced subject to the condition that a fresh bond is taken to ensure that the employee serves the new employer for the balance of the original bond period.

(b) The terms of bond whereby an employee of a Central public enterprise receiving scientific and technical training out the expenses of the Govt./Public Sector Enterprises undertakes to repay this specified amount in the event of his failure to serve the enterprise for a stipulated period after completion of his training should not be enforced against an employee who leaves service of public enterprise to secure, with proper permission, employment under the Central Govt., a public enterprise or an autonomous body wholly or substantially owned/financed/controlled by the Central/State Govt. A fresh bond should be taken from the person concerned to ensure that he serves the new employer for the balance of the original period.

(c) To ensure that the requirement of obtaining a fresh bond from a person, where necessary, is fulfilled, the enterprise with whom the employee has executed the original bond may at the time of forwarding his application write to the organization etc. under whom the employee intends to take up another appointment intimating them about the bond obligation of the individual and clarifying that in the case of his selection for the new post, his release will be subject to the condition that the new organization take from him a fresh bond binding him to serve them for the balance of the original bond period; in case he fails to serve the new department/organization etc. or leaves it before completion of the original bond period for a job where exemption from bond obligation is not

available, the proportionate bond money should be realised from the individual and refunded to the first organization with whom he originally executed the bond.

2. All the administrative Ministries/Departments are requested to kindly issue necessary instructions accordingly to the public sector enterprises under their administrative control.

(DPE O.M. No. 15(2)/2003-DPE(GM)/GL-57 dated 29th July, 2004)
