

AGREEMENT

This Agreement is executed on this the _____ day of _____ 2006 at _____ by and between:

M/S _____, a Partnership Firm/concern of the partners namely (1) Mr. _____ son of _____ resident of _____; (2) Mr. _____ son of _____ resident of _____; and (3) Mr. _____ son of _____ resident of _____; created in terms of a proper Partnership Deed dated _____ duly registered on _____, through the said partners, and herein-after to be called “ the First Party ” (Which expression shall always include their legal heirs, executors, representatives, administrators, successors and the assigns) of the One part;

AND

The J&K State through the Directorate of Industries and Commerce Department, Srinagar through its General Manager, and hereinafter to be called “ the Second Party ” (which expression shall always include his successors, executors, administrators, representatives and assigns wherever the context or meaning shall so required or permit) of the Other Part.

Whereas the above named First Party is engaged in carrying on the business of manufacturing of _____ at _____, under the name and style of M/S _____. The said unit of the First Party is duly registered with the Directorate of the Industries and Commerce Department for the sake of the Incentives under the Registration No: _____.

Whereas the First Party through its partners approached Government /Directorate of Industries and Commerce Department (Second Party) for grant of 90 percent Transport Subsidy favour of the First Party under the Central Transport Subsidy Scheme, 2002 for the quarters _____, to which the First Party has become entitled to claim and receive and details whereof are given in the schedule forming Annexure ‘A’ to this agreement.

Whereas the Second Party vide its Order No: _____ dated _____ (the copy whereof is enclosed herewith as Annexure-‘B’) sanctioned an amount of Rs. _____ (Rupees _____ only) as 90 % Transport Subsidy under Central Transport Subsidy

Scheme, 2002, in favour of the above named First Party which shall be disbursed in favour of the First Party through J&K Development Finance Corporation Limited, Srinagar/Jammu, hereinafter to be referred to as “ the J&K DFC ”, subject to the terms, covenants and conditions governing the said incentive under the Central Transport Subsidy Scheme, 2002.

Whereas the First Party has consented and agreed to receive the said incentive amount in the form of the Transport Subsidy on the terms and conditions as stipulated in this behalf under the Central Transport Scheme, 2002, and as such, to evidence the said fact the parties are executing this agreement inter-se which witnesses as under:

1. That if the Government/Second Party at any time hereinafter is satisfied that the subsidy granted to the First Party has been claimed and obtained by them/firm by mis-representation as to essential fact and/or by concealing the facts and/or by furnishing any false information or if the concerned unit goes out of production or if it subsequently comes to the notice that the unit was not qualifying and/or entitled to claim and receive the subsidy under reference, the First Party shall be bound and obliged to refund the above mentioned amount of the subsidy to the Second Party together with the interest at the prevalent bank rates along-with all the costs, expenses, charges etc. without any demur.
2. That the First Party after receiving the part or whole of the subsidy amount granted in its favour as mentioned herein shall not change the location of the whole or any part of his said industrial unit or effect any substantial part of construction or dispose off any substantial part of its total fixed capital investment or effect any change in Constitution of the Concern within the period of five Years after going into production or the date of the disbursement of the subsidy under reference, whichever is earlier, without prior written request made by First Party in this behalf and approved by the Second Party above named.
3. In consideration of the above premises First Party bind itself and undertakes and agrees to keep Second Party safe and indemnified against all losses, claims, damages, proceedings, costs, charges and the expenses which may be sustained, suffered or incurred, directly or in-directly, as a consequence of paying the subsidy amount under reference to the First Party and the First Party shall pay to the Second Party on demand the said amount of the subsidy released or disbursed / to be released or disbursed along-with the interest thereon and also all losses, damages, claims, costs and charges, whatsoever, without any demur.

4. That after receiving the grant of subsidy under reference the First Party shall be bound to submit annual progress report to the Second Party about its working for a period of 5 Years after going into production or the date of disbursement of the subsidy under reference, whichever is earlier.
5. That the First Party shall be bound and required to furnish any other document/information in connection with availing of the subsidy under reference as and when shall be asked by the Second Party/J&K DFC to furnish to him.
6. That the amount of the subsidy under reference of these presents shall be refunded by the First Party to the Second Party at any time along-with the interest thereon as and when demanded by the Second Party from them/firm on account of the breach of any of the terms, conditions or covenants of this agreement or if the same is not reimbursed by the Government of India.
7. That the First Party do hereby agree and bind themselves that this agreement shall remain in full force and effect and binding and fully enforceable against the First Party/ Partners jointly and severally and shall be by way of a charge upon their all assets and the assets of their firm and the First Party do hereby further agree and undertake that the First Party shall be liable to indemnify Second Party for all demands, damages, costs, losses etc. which the Second Party may incur and sustain; and the said amount shall become payable and/or recoverable from the First Party within statutory period of limitation prescribed under the relevant statute but, however, the time for the same shall be reckoned from the date of the acquisition of the knowledge by the Second Party about the disentitlement/disqualification of the First Party to claim and receive the subsidy amount on any account as provided herein-above and/or from the date subsidy amount is refused to be reimbursed by the Government of India to the Second Party.
8. That the subsidy under reference as granted to the First Party by the Second Party shall always be governed by the terms and conditions as laid down in the Central Transport Subsidy Scheme, 2002.
9. That if any doubt, dispute, question or difference shall at anytime hereinafter arises, concerning the construction, effect or meaning of these presents or any matter herein contained or other respective rights and the liabilities hereunder, every such doubt, dispute, question, difference shall be referred for Arbitration to Dir. I&C, J&K. Govt under the J&K Arbitration and Conciliation Act, 1996. The decision of the said Arbitrator thereon shall be conclusive, final and binding on the parties.

10. That It is further agreed, consented and declared in unequivocal terms by the First Party that all the legal proceedings arising in connection with the Subsidy under reference and in relation to the present agreement will be always subject to the Jurisdiction of the local Courts/ High Court of the State Jammu and Kashmir alone.

IN WITNESS WHEREOF the above named First Party through its partners have has set and subscribed their hands for themselves and for and on behalf of their firm to this Agreement in acceptance of its contents and the execution thereof out of their free will, consent and volition and without any sort of force, coercion or any undue-influence or misrepresentation in favour of the above named Second Party who has put his signatures also after accepting its contents and the execution thereof on the date and place herein-above written.

EXECUTANTS

1. _____ 2. _____ 3. _____
(Mr. _____) (Mr. _____) (Mr. _____)

For Themselves and on behalf of M/S _____

(FIRST PARTY)

2. _____
(Mr. _____)
Gen. Manager DIC, _____
Industries & Commerce Deptt.
For & on behalf of:
Governor of J&K State.

(SECOND PARTY)

WITNESSES:

Sig: _____
Name: _____
S/O : _____
R/O : _____

Sig: _____
Name: _____
S/O : _____
R/O : _____

ANNEXURE ‘A’

SCHEDULE TO THIS AGREEMENT AS MENTIONED ABOVE

QUARTERWISE DETAILS OF RAW MATERIAL/ FINISHED GOODS (QTY / VALUE)

RELEVANT QUARTER	OPENING BALANCE	QUANTITY IMPORTED	TOTAL QUANTITY	QUANTITY CONSUMED	QUANTITY DELETED
(1)	(2)	(3)	(4)	(5)	(6)

QUANTITY QUALIFYING	FREIGHT PAID	APP. RATE	ACTUAL FREIGHT	FREIGHT REKONABLE	90 % SUBSIDY
(7)	(8)	(9)	(10)	(11)	(12)

INDEMNITY BOND

BY THE PRESENT INDEMNITY BOND executed on this the _____ day of _____ 2006 at _____ by:

M/S _____, a Partnership Firm/concern of the partners namely (1) Mr. _____ son of _____ resident of _____; (2) Mr. _____ son of _____ resident of _____; and (3) Mr. _____ son of _____ resident of _____; created in terms of a proper Partnership Deed dated _____ duly registered on _____, through the said partners, and herein-after to be called “ the Obligors ” (Which expression shall always include their legal heirs, executors, representatives, administrators, successors and the assigns) of the One part;

IN FAVOUR OF:

The J&K State through the Directorate of Industries and Commerce Department, Srinagar through its General Manager, and hereinafter to be called “ the Obligee-Department ” (which expression shall include his successors, executors, administrators, representatives and assigns wherever the context or the meaning shall so required or permit) of the Other Part.

Whereas the above named Obligors are engaged in carrying on the business of manufacturing of _____ at _____, under the name and style of M/S _____. The said unit/firm of the Obligors is duly registered with the Directorate of the Industries and Commerce Department for the sake of the Incentives under the Registration No: _____.

Whereas the Obligors through the above named firm approached the Government/Directorate of Industries and Commerce Department (Obligee-Department) for grant of the Central Transport Subsidy in favour of the Obligors under Central Transport Subsidy Scheme, 2002, for the quarters _____, to which the Obligors/their firm has become entitled to claim and receive.

Whereas the Obligee-Department vide its Order No: _____ dated _____ (the copy whereof is enclosed as Annexure-A) sanctioned an amount of Rs. _____ (Rupees _____ only) as Central Transport Subsidy under the Central Transport Subsidy Scheme, 2002, in favour of the above named Obligors/their firm which shall be disbursed in their favour through the J&K Development Finance Corporation Limited, Srinagar/Jammu, hereinafter to be referred to as “ the J&K DFC ” subject to furnishing of an Indemnity Bond to the intent and purpose and subject to the terms, covenants and the conditions governing the said incentive as stipulated in this behalf under the Central Transport Subsidy Scheme, 2002. With the above said Objective the obligor Company indemnifies the State Govt. / Obligee Deptt. as under :-

1. That if the Government/Obligee-Department at any time hereinafter is satisfied that the subsidy granted to the Obligors/their firm has been claimed and obtained by them by mis-representation as to any essential fact and/or by concealing the facts and/or by furnishing false information or if the concerned industrial unit goes out of production within 5 years after having availed the subsidy or if it subsequently comes to the notice that the unit was not qualifying and/or entitled to claim and receive the subsidy under reference, the Obligors/their firm shall be bound and obliged to refund the above mentioned amount of the subsidy to the Obligee-Department together with the interest at the prevalent bank rates along-with all the costs, expenses, charges etc. without any demur.
2. In consideration of the above premises the Obligors jointly and severally bind themselves and undertake and agree to keep Obligee-Department safe and indemnified against all losses, claims, damages, costs, charges and the expenses which may be sustained, suffered or incurred, directly or in-directly, as the consequence of paying the subsidy amount under reference to the Obligors and the Obligors/their firm shall pay to the Obligee-Department on demand the said amount of the subsidy released or disbursed / to be released or disbursed and all other losses, damages, claims, costs and charges, what-so-ever, to the Obligee-Department as incurred by it, without any demur.
3. That the Obligors do hereby agree and bind themselves that this bond shall remain in full force and effect and binding and enforceable against them till its realisation and satisfaction and shall be by way of a charge upon their all assets and assets of their firm and the Obligors do hereby agree and undertake that the Obligors/their firm shall be liable to indemnify Obligee-Department for all demands, damages, costs, losses etc. which the Obligee-Department may incur and the said amount shall become payable and/or recoverable from the Obligors within the statutory

period of limitation prescribed under the relevant statute but, however, the time for the same shall be reckoned from the date of the acquisition of the knowledge by the Oblige-Department about disentitlement/disqualification of the Obligors/their firm to claim and receive the subsidy amount under reference on any account as provided herein-above.

4. That it is hereby agreed and consented by the Obligors that this Indemnity Bond shall be enforceable against them in case of breach or infringement of any of the terms, covenants and conditions as laid down under the Central Transport Subsidy Scheme, 2002.

5. That the Obligors further agree, consent and declare in unequivocal terms that all the legal proceedings for enforcing or in relation to the present Indemnity Bond shall be always subject to the Jurisdiction of the local Courts/ High Court of the State Jammu and Kashmir alone.

IN WITNESS WHEREOF the above named Obligors have has set and subscribed their hands for themselves and for and on behalf of their firm to this Indemnity Bond in acceptance of its contents and the execution thereof out of their free will, consent and volition and without any sort of force, coercion or any undue-influence or mis-representation on the date and place herein-above written.

EXECUTANTS

1. _____ 2. _____ 3. _____
(Mr. _____) (Mr. _____) (Mr. _____)

Partners of M/S _____

(OBLIGORS)

WITNESSES:

Sig: _____
Name: _____
S/O : _____
R/O : _____

Sig: _____
Name: _____
S/O : _____
R/O : _____
