

## AGREEMENT

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

**M/S** \_\_\_\_\_, a Proprietorship concern of Mr. \_\_\_\_\_ son of \_\_\_\_\_ resident of \_\_\_\_\_; and herein-after to be called " the First Party " ( Which expression shall always include his 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 First Party through its proprietor approached Government / Directorate of Industries and Commerce Department (Second Party) for grant of the Central Capital Investment Subsidy in his favour under the Central Capital Investment Subsidy Scheme, 2002, to which he has become entitled to claim and receive.

Whereas the Second Party vide its Order No: \_\_\_\_\_ dated \_\_\_\_\_ (the copy whereof is enclosed as Annexure-A) sanctioned an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only ) as the Central Capital Investment Subsidy under the Central Capital Investment Subsidy Scheme 2002 in favour of the above named First Party which shall be disbursed in his favour 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 C. C. I Subsidy Scheme 2002. Full details of plant & Machinery forming the basis for aforesaid sanction issued by the Second Party is given in the Schedule forming annexure 'B' to this agreement.

Whereas the First Party has consented and agreed to receive the said incentive amount in the form of the Central Capital Investment Subsidy on the terms and conditions as stipulated in this behalf under the Central Investment Subsidy 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 him by mis-representation as to any essential fact and/or by concealing the facts and/or by furnishing any false information or if the concerned industrial unit goes out of production within 5 years after the commencement of commercial 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 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 his 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 5 Years after going into production, without prior written request made by him in this behalf and approved by the Second Party above named

3.. In consideration of the above premises the First Party binds himself and undertakes and agrees to keep the 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 indirectly, as a consequence of paying the subsidy amount under reference to the First Party and the First Party shall pay to Second Party on demand the said amount of the subsidy released or disbursed/ to be released or disbursed to him along-with the interest thereon and also all losses, damages, claims, costs and charges, whatsoever, without any demur.

4. That 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.

5. That the First Party shall be bound and required to furnish any other document/information in connection with availing of the Transport 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 him on account of breach of any of the terms, conditions or covenants of this agreement or if the same is not reimbursed by Government of India.

7. That the First Party/its proprietor do hereby agree and bind himself that this agreement shall be remain in full force and effect and binding and enforceable against the First Party/its proprietor and shall be by way of a charge upon his all assets/ assets of his firm and the First Party do hereby further agree and undertake that the First Party/its proprietor 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 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 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 the 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 Capital Investment 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 above named proprietor has set and subscribed his hands for himself and

for and on behalf of his firm to this Agreement in acceptance of its contents and the execution thereof out of his 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

\_\_\_\_\_  
( Mr. \_\_\_\_\_ )  
For himself and on behalf of  
M/S \_\_\_\_\_

( FIRST PARTY ) PROPERITOR

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 'B'**

**SCHEDULE OF PLANT AND MACHINERY**

**( Item wise Detail of Plant & Machinery for which  
Central Capital Investment Subsidy has been sanctioned )**

<b><u>S.No.</u></b>	<b><u>Particulars</u></b>	<b><u>Amount ( Rs )</u></b>	<b><u>Remarks, if any</u></b>
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**INDEMNITY BOND**

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

**M/S** \_\_\_\_\_, a Proprietorship concern of Mr. \_\_\_\_\_ son of \_\_\_\_\_ resident of \_\_\_\_\_ through the said proprietor, and hereinafter to be called “ the Obligor ” ( Which expression shall always include his all legal heirs, executors, representatives, administrators, successors and 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 Obligor is engaged in carrying on the business of manufacturing of \_\_\_\_\_ at \_\_\_\_\_, under the name and style of M/S \_\_\_\_\_. The said unit/firm of the Obligor is duly registered with the Directorate of the Industries and Commerce Department for the sake of the Incentives under the Registration No: \_\_\_\_\_.

Whereas the above named Obligor through his above named firm, hereinafter referred to as “ the Obligor-Firm ” approached the Government/ Directorate of Industries and Commerce Department (Obligee-Department) for grant of the Central Capital Investment Subsidy in his favour under the Central Capital Investment Subsidy Scheme, 2002, to which he 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 the

Central Capital Investment Subsidy under the Central Capital Investment Subsidy Scheme, 2002, in favour of the above named Obligor/ his firm which shall be disbursed in his favour through 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 Capital Investment Subsidy Scheme, 2002 . With the above said objective, the Obliger 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 Obligor/Obligor-Firm has been claimed and obtained by him by mis-representation as to any essential fact and/or by concealing the facts and/or by furnishing any false information or if the concerned industrial unit goes out of production within 5 years after the commencement of the commercial 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 Obligor/his said firm shall be bound and obliged to refund the above mentioned amount of subsidy to 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 Obligor binds himself and undertakes and agrees to keep the Obligee-Department safe and indemnified against all losses, claims, damages, costs, charges and the expenses which may be sustained, suffered or incurred, directly or indirectly, as the consequence of paying the subsidy amount under reference to the Obligor and the Obligor/his firm shall pay to the Obligee-Department on demand the said amount of the subsidy released or disbursed / to be release or disbursed and all other losses, damages, claims, costs and the charges, whatsoever, to Obligee-Department as incurred by it, without any demur.

3. That the Obligor do hereby agree and bind himself that this bond shall remain in full force and effect and binding and enforceable against him/his firm till its realisation and satisfaction and shall be by way of a charge upon his all assets and assets of his firm and the Obligor do hereby agree and undertake that he shall be liable to indemnify the 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 Obligor/his firm within statutory period of limitation prescribed under the relevant statute but, however, the time for the same shall be reckoned from the date of acquisition of the knowledge by Obligee-

Department about the disentitlement/disqualification of the Obligor/his 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 Obligor that this Indemnity Bond shall be enforceable against him in case of breach or infringement of any of the terms, covenants and conditions as laid down under the Central Capital Investment Subsidy Scheme, 2002.

5. That the Obligor further agrees, consents and declares 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 Obligor has set and subscribed his hands for himself and for and on behalf of his firm to this Indemnity Bond in acceptance of its contents and the execution thereof out of his 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.

EXECUTANT

1. \_\_\_\_\_  
( Mr.

Prop. of M/S \_\_\_\_\_

( OBLIGOR )

WITNESSES:

Sig: \_\_\_\_\_  
Name: \_\_\_\_\_  
S/O : \_\_\_\_\_  
R/O : \_\_\_\_\_  
\_\_\_\_\_

Sig: \_\_\_\_\_  
Name: \_\_\_\_\_  
S/O : \_\_\_\_\_  
R/O : \_\_\_\_\_  
\_\_\_\_\_