

Date.....

Full Name

**GOVERNMENT OF JHARKHAND
COMMERCIAL TAXES DEPARTMENT**

Security Bond under the Jharkhand Value Added Tax Act, 2005

[See Rule 5(2)(d), 16(4), 46(1)]

Know all men by these presents that, I/We _____ (full name) _____ (full address) am/are held and firmly bound unto the Government of Jharkhand, exercising power of the Government of the State of Jharkhand (hereinafter referred to as the Government), which expression shall unless excluded by or repugnant to the context, include his successors in office and assigns including any authority appointed under Section 4 of the Jharkhand Value Added Tax Act, 2005 in the sum of rupees _____ (amount in figures and followed by amount in words) (hereinafter referred to as the said sum) to be paid to the Government on demand, for which payment will and truly to be made, I/we bind myself/ourselves, my/our heirs, executors administrators and legal representatives by these presents;

WHEREAS the above bounden is required by Section 8 or 11 of Jharkhand Value Added Tax Act, 2005 to pay tax under the said Act and is further required by Section 25, 26 or 43 of the said Act to be registered under the said Act and to be in possession of a valid registration certificate thereunder;

WHEREAS the above bounden is required by Rule 4 of the Jharkhand Value Added Tax Rules, 2006 to obtain a certificate in Form JVAT 103 and 104 for making purchases of goods required by him/them directly for use in manufacture/processing of goods for sale/or mining/in the generation or distribution of electricity.

WHEREAS in course of an inspection of the place of business / godown / warehouse / vessel / goods carrier belonging to/under the control of/under the charge of above bounden by an authority appointed under Section 4 of the Act, goods are found for which the above bounden is not in a position to produce satisfactory accounts forthwith;

WHEREAS the above bounden has been required under the Act, by the Prescribed Authorities in Rule 57 to furnish security/additional security for the said sum for the purpose of securing timely payment of the amount of any tax or other sum payable under the Act by him/them/and for indemnifying the Government against all losses, costs or expenses which the Government may, in any way, suffer, sustain or pay by reason of the omission, default or failure of the above bounden or any person acting under or for him/them to oat such tax or sum in the manner and by the time provided by or prescribed under/ the said Act;

AND WHEREAS the above bounden has been required by the _____ of Commercial Taxes _____ Circle/Sub-Circle to furnish security for the said sum for the purpose of production of proper accounts in respect of goods found securing the proper payment of the tax payable by him/them under the said Act/the proper use of the Certificate in Form JVAT 103 and 104 and indemnifying the Government against all loss, costs or expenses, which the Government may, in any way suffer, sustain or pay by reason of the omission, default or failure of the above bounden or any persons acting under or for his/them to produce proper accounts in respect of goods found/to pay such tax in the manner and by the time provided by or prescribed under the said Act/to make proper use of the Certificate in Form JVAT 103 and 104.

Now the condition of the above written bond is such that if the above bounden his/their heirs, executors, administrators and legal representatives or any person acting under or for him/them pays the full amount of tax payable by him under the said Act in the manner and by the time provided by or prescribed under the said Act on demand by any authority prescribed in rule 49 of the rules prescribed under the said Act such demand to be in writing and to be served upon the above bounden, his/their heirs, executors, administrators and legal representatives or any person acting under or for him/them in the manner provided by/or prescribed under the said Act and shall also at all times indemnify and save harmless the Government from all and every loss, cost or expense which has been or shall or may at any time or times hereafter during the period in which the above bounden is held liable to pay tax under the said Act be caused by reason of any act, omission, default, failure or insolvency of the above bounden or of any person or persons acting under or for him/them, then this obligation shall be void and of no effect, otherwise the same shall be and remain in full force.

And it is hereby further agreed that in the event of the death/partition/disruption/dissolution/ winding up or the final cessation of the liability under the Act or the rules prescribed thereunder, the establishment of the intended business to which the certificate in Form JVAT 103 and 104, relates and registration of the business so established under the said Act of the above bounden, this bond shall remain with the authority prescribed in rule 57 of the said rules or any officer duly authorized by him in this behalf for twelve years from the occurring of any of the events aforesaid for recovering any tax that may be payable by the above bounden or any loss, cost or expenses, that may have been sustained, incurred or paid by the Government owing to the Act, omission default, failure or insolvency of the above bounden's heirs, administrators and legal representatives and which may not have been discovered until after the above bounden's death/partition/disruption/dissolution/winding up or final cessation of his/their liability under the said Act or the rules prescribed thereunder (the establishment of the intended business and registration thereof under the said Act).

And it is hereby also agreed that in the event of failure of the above bounden to produce proper accounts in respect of the goods found in the place of business / godown / warehouse / vehicle / vessel / goods carrier belonging to/under the control

of/under the charge of the said bounden within 15 days from the date of such inspection this bond shall be used by the authority prescribed in rule 57 recovering the said sum:

Provided always that without prejudice to any other right or remedy for recovering the tax, loss or damage as aforesaid it shall be open to the Government to recover the amount payable under this bond as an arrear of land revenue.

In witness whereof the said _____ (full name) has hereunto set his hand this ____ day of _____.

Signed and delivered by the above named in the presence of —

(1)

(2)

*Signature.....

Status.....

We hereby declare ourselves sureties for the above bounden and guarantee that he/they shall do and perform all that he/they has/have above undertaken to do and perform, and in case of his/their omission, default or failure therein, we hereby bind ourselves jointly and severally to forfeit to the Governor of Jharkhand exercising the executive power of the Government of the State of Jharkhand (hereinafter referred to as the Government), which expression shall, unless excluded by or repugnant to the context, include his successors-in-office and assigns including any authority appointed under Section 4 of the Jharkhand Value Added Tax Act, 2005 the sum of rupees (amount in figures followed by amount in words) (hereinafter referred to as the said sum) in which the above bounden has bound himself or such other lesser sum as shall be deemed to be sufficient by the authority prescribed under rule 57 of the rules framed under the said Act to recover any amount of tax payable by the above bounden and remaining unpaid and also to recover any loss, damage, cost or expenses which the Government may sustain, incur or pay by reason of such omission, default or failure.

And we agree that the Government may, without prejudice to any other right or remedies of the Government, recover the said sum from us, jointly and severally, as an arrear of land revenue.

And we also agree that neither of us shall be at liberty to terminate this suretyship except upon giving to the authority prescribed in rule 57 of the said rule six calendar month's notice in writing of his intention so to do and our joint and several liability under this bond shall continue in respect of all acts, omissions, defaults, failure and insolvencies on the part of the above bounden until the expiration of the said period of six months.

Signature of sureties—

(1)

(2)

Signature.....

Permanent address

In presence of—

(1)

(2)

Signature.....

Permanent address

*This shall be signed by the proprietor of the business, if an individual; by the karta, if an undivided Hindu family; by an authorized partner in the case of a firm; by a Managing Director, Managing Agent or Principal Executive Officer in the case of a Company or Corporation; by a Principal Executive Officer or Officer-in-charge in the case of a society, club, association, Department of Government or local authority, and by any person required to furnish a Security under the provisions of the Act or Rules framed thereunder.