

**FORM 74**

[see sub-rule (4) of rule 174

THIS AGREEMENT made this.....day  
of.....BETWEEN.....(name)  
.....son/daughter  
of.....of.....  
.....(address) Proprietor/Partner/Karta/Principal  
Officer/Director, on behalf of the dealer holding certificate of registration No.  
.....under the West Bengal Value Added Tax Act, 2003 (hereinafter  
referred to as the "Borrower" which term shall, where the context so admits, include his/her  
heirs, executors, administrators, representatives and assignees), of the One Part and the Governor  
of the State of West Bengal (hereinafter referred to as the "Lender" which term shall include his  
successors in office and assigns) of the Other Part.

WHEREAS the Borrower has availed of deferment of payment of output tax payable  
in respect of the year ended on the...../part of the year from  
the.....to.....amounting to Rs  
..... (in figures )  
Rupees.....(in words), under sub-rule (1) of rule  
165 of the West Bengal Value Added Tax Rules, 2005 (hereinafter referred to as the said rule):

AND WHEREAS the Borrower has communicated his/her intention to the specified  
authority, referred to in rule 174 of the West Bengal Value Added Tax Rules, 2005 for creation  
by such authority of a loan liability for him/her against the deferment of the said amount of tax if  
it were a loan sanctioned to him/her;

AND WHEREAS the said specified authority agrees to create such loan liability for the  
said Borrower amounting to Rs.....(in figures)  
(Rupees.....)(in words), against deferment  
of the payment of the payment of the tax as sought by the Borrower, subject to the conditions  
hereinafter appearing.

NOW IT IS HEREBY RECORDED AND AGREED BY THE AND BETWEEN THE  
PARTIES as follows :-

1. That in pursuance of this Agreement, the specified authority created by an order  
dated.....a loan liability for the Borrower to the extent of  
Rs.....being the amount equal to the amount of output tax  
deferred under clause (a) of sub-section(1) of section 118 read with sub-rule (1) of  
rule 165 in respect of the return period or periods ending on the.....in  
consideration of the payment of the said amount of tax deemed to have been made  
on or before the last day of the year.
2. That in pursuance of this Agreement the said Borrower admits his/her loan liability  
amounting to Rs..... (in figure) (Rupees ..... (in words)  
created by the said specified authority for a period of ..... years  
(hereinafter referred to as loan period) commencing from the prescribed date on  
which the tax is payable by him/her for each of the return period against the tax  
payable by the dealer and deferred under sub-rule (1) of rule 165 in respect of the  
year or part of such year ended on the ..... Comprising return period or  
periods ending on the .....

3. That in the event of discontinuance or closure of his/her business, cessation of his/her liability to pay tax or cancellation of his/her certificate of registration under the Act before the expiry of the said period, the Borrower shall pay the entire amount of the loan created by the specified authority at a time within fifteen days from the date of such discontinuance or closure of his/her business, cessation of liability to pay tax or cancellation of his/her certificate of registration.
4. That the borrower shall furnish to the specified authority all the accounts and documents required or called for by it and keep his premises, buildings, machinery, stock of raw materials and finished goods open to inspection by the specified authority or by a person appointed under sub-section (1) of section 6 and authorised by the specified authority for this purpose.
5. That the specified authority shall have the full right, power and authority at all times to do all the acts which may be necessary or expedient for the purpose of enforcing compliance with any terms, conditions and reservation contained herein and to recover from the Borrower the amount of loan created under this agreement and all costs incurred in connection herewith in any way relating hereto.
6. That there shall be a charge on the said Borrower's assets movable or immovable, to the extent of the amount of loan liability during the said loan period and the said Borrower shall not dispose of his/her assets, other than the goods manufactured, without prior permission of the said lender in writing.
7. That after any inspection as hereinbefore provided for or on account of failure of the Borrower to comply with or to fulfil any of the conditions of this covenant, the specified authority may, even before the expiry of the said loan period direct the Borrower, after giving him/her reasonable opportunity of being heard, to pay the entire amount of the loan within such date as may be specified in the notice in this regard.
8. That in the case the Borrower fails to make the full payment of the amount of loan by the date referred to in clause 3 and 7 hereof, the Borrower shall be liable to pay interest, in addition to the amount of loan remaining unpaid on the month immediately preceding the month in which the date referred to in clause 3 or 7 falls for each month of default of part thereof calculated from the month immediately following the date referred to in clause 3 or 7 hereof.
9. That on payment of the entire amount of loan and if interest is payable as referred to in clause 8 then on payment of the entire amount of loan and interest, the Borrower shall be discharged from his/her liability created under this agreement.
10. That on the expiry of the said loan period as referred to in clause 1 hereof, the said Borrower shall be discharged from his/her loan liability secured by this agreement in consideration of the payment of such amount by the date prescribed under the West Bengal Value Added Tax Rules, 2005, as if it were a tax payable in accordance with the provision of sub-rule (6) of rule 165.

IN WITNESS WHEREOF the parties to these presents have hereunto set and subscribed their respective hands the day month and year first above written.

Signed by the said.....on behalf of.....(dealer) in the presence of :

First Witness

Address

Occupation

Second Witness

Address

Occupation

Signed for and on behalf of the Governor of the State of West Bengal by the specified authority.

Seal.....

Designation :