

Local Surety Bond-DVAT

LOCAL SURETY BOND

KNOW ALL MEN BY THESE PRESENTS THAT

M/S _____

is held and firmly bound unto the President of India (hereinafter referred to as "THE GOVT." which expression shall unless excluded by for repugnant to the context, be deemed to include his successors in office and assigns) in the sum of Rs.

To be paid to the Government for which payments with and truly to be made to the said aforesaid dealer binds itself, its heirs, executor, administrators, and legal representative by these presents.

WHEREAS the above bounded dealer has made an application for grant of a Registration Certificate under Section 19 of Delhi Value Added Tax Act 2004 (hereinafter referred to as the said Act.)

AND whereas the said dealer has in pursuance of Section 25 of the said Act, is required to execute a bond with one surety in favour of the (Govt. in the above mention sum of Rs. for the due discharge by the said aforesaid dealer of the liability under the said Act, and for the purpose of securing and indemnifying the Government against all loss, costs or expenses which the Govt. may in any way suffer, sustain or pay by reason of the default or of failure in discharge of the liability under the said Act of the aforesaid dealer or any person or persons acting under it or for whom it may be responsible.

Now the condition of the above written bond is such that if the said dealer, its heirs, executors, administrators and legal representative shall pay or cease to be paid unto the Government amount due from it under the provision of said Act within the times prescribed under the said Act after such amount shall have been demanded from aforesaid dealer by the Commissioner of Value Added Tax, Delhi or by an officer to whom powers of the Commissioner of Value Added Tax, Delhi in this respect have been delegated and shall also at all times indemnify and save harmless the Government from all and every loss or expenses which has been or may at any time hereafter during the period in which the aforesaid dealer or any person acting under it or for whom it may be responsible, then, this obligation shall be void and no effect otherwise the same shall be and remain in full force.

AND it is hereby further agreed that in the event of the final cessation, liability of the aforesaid dealer under the Act, this bond shall remain with Commissioner of Value Added Tax, Delhi or an Officer duly authorized by him in this behalf for 36 Calendar months for recovering any loss, costs or expenses that may have been sustained, incurred

or paid by the Government owing to act or default after the aforesaid dealer or any other person aforesaid and which may not have been discovered until after the final cessation of the liability of the aforesaid dealer under the said Act.

PROVIDED always that without prejudice to any other rights or remedies for recovering the loss or damage as aforesaid, it shall be open to the Government to recover the amount payable under the head as an arrear of "LAND REVENUE".

IN WITNESS OF AFORSAID DEALER
has hereunto set his hands this

Date:

Signed and delivered by the above said
dealer in the presence of

Signature of the Dealer /Principal

Witness No.1

(Name of Surety)

Hereby declare myself/ourselves surety(s) for the above dealer and guarantee that it shall do and perform all that it has above undertaken to do and perform in case of its making default herein. I/We bind myself/ourselves to forfeit to the President of India the sum of Rs. in which the aforesaid dealer has bound itself or such other lesser sum as shall be deemed to be sufficient by the Commissioner of Value Added Tax, Delhi or any officer duly authorised by him in this behalf or recovery of any loss or damage which the Government sustain by reason of such default.

PROVIDED always that I/We shall not be released or discharged by reason of any for bearation Acts or commission the part of the Commissioner of Value Added Tax, Delhi which but for this provisions which discharge me/us.

AND I/we agreed that the Government may, without prejudice to any other right or remedies of the Government, recover from me/us the said sum as arrears of "LAND REVENUE".

AND I/we also agree that I/we shall not be at liberty to terminate my/our surety-ship except upon given to the said Commissioner of Value Added Tax, Delhi or delegates one year's notice in writing or my/our mention so to do and my/our liability under this bond shall continue in respect of all act, default and insolvency on the part of the said until the expiration of the said period of one year.

Date: Signature of the Surety

IN THE PRESENCE OF

WITNESS NO. 1

WITNESS NO.2