

FORM L.T. (DP)-III

[See Para 6(1)]

[Mortgage Deed to be executed by a registered proprietor of a new hotel who wishes to avail of the facility of making deferred payment of luxury tax under the Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) (Deferred Payment of Luxury Tax) Scheme, 1996].

THIS MORTGAGE DEED made this .....  
day of .....

**BETWEEN**

1. Name ..... (full address of the proprietor of the 'new hotel') registered under the Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) Act, 1979 under Registration No..... dated, the ..... in the State of Himachal Pradesh (hereinafter referred to as "the Mortgager" which term shall where the context so admits include his heirs, executors, administrators and assigns and legal representatives) of the first part; and

2. The Governor of Himachal Pradesh through\* .....  
..... duly authorised by him (hereinafter referred to as the "Mortgagee" which term shall where the context so admits, includes his successors in-office and assigns) of the second part;

Whereas the Mortgager has assured the Mortgagee that he is the sole owner of the ..... situated in ..... District ..... (the said property being detailed or described more particularly in Schedule-I hereto), and that the same is not mortgaged or charged or otherwise encumbered in any way whatsoever and the same is now offered to Mortgagee as first charge;

And whereas the Mortgager agrees that whenever called upon by the Mortgagee to do so, insure the whole or any part of all properties hereinbefore mentioned against fire throughout the period of mortgage;

And whereas the Mortgager has applied for the grant of facility of making deferred payment of luxury tax amounting to Rs. .... under the provisions of sub-section (1) of section 6-A of the Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) Act, 1979, rules framed thereunder and the Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) (deferred Payment of Luxury Tax) Scheme, 1996;

And whereas the Mortgagee agrees whenever called upon by the Mortgager to do so, to pay the whole or any part of the amount of luxury tax deferred along-with interest, in the event of failure of the Mortgager to observe the conditions for its grant;

And whereas the Mortgagee has agreed to defer the payment of luxury Tax amounting to Rs. .... (in words) ..... (hereinafter referred to as the said amount) payable by the Mortgager during a period of.....years, commencing from..... subject to the condition hereinafter appearing.

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\*As authorised on this behalf by the Government.

NOW THIS INDENTURE WITNESSETH as under:-

- (1) That in pursuance of the aforesaid agreement and for the purpose of securing the payment of the deferred or to be deferred amount of luxury tax in the said sum of Rs. .... the Mortgager hereby covenants with the Mortgagee that he will comply with the provisions of the Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) Act, 1979, the rules framed thereunder and the Himachal Pradesh Tax on Luxuries (in Hotels and Lodging Houses) (Deferred Payment of Luxury Tax) Scheme, 1996;
- (2) That the Mortgager shall furnish to the assessing authority ..... such reports, returns and other documents as may be required or demanded by it from time to time;
- (3) That the Mortgager shall not change location of the whole or any part of his total fixed assets and the property from the present place or effect any substantial contraction or disposal of a substantial part of his total fixed assets and the property till the amount of luxury tax deferred is paid to the Mortgagee;
- (4) That the Mortgagee, may at any time, enter in or upon any part of the Mortgager's new hotel for the purpose of inspecting the accounts! records thereof so as to ascertain that the Mortgager had duly performed and observed the covenants and conditions subject to which the facility of making deferred payment of luxury tax has been granted;
- (5) That the Mortgagee shall have full right, power and authority at all times to do all acts and things, which may be necessary or

expedient for the purpose of enforcing compliance with all or any terms, conditions and reservations therein contained and to recover from the Mortgager as first charge upon the total fixed assets of the said Mortgager and on account of the cost of doing all or any such acts and things, all costs incurred in connection therewith in any way relating thereto;

(6) That the Mortgager shall:-

- (a) comply with any general or special order of the Mortgagee relating to the inspection of its premises, buildings and other moveable and immovable property in the new hotel and the new hotel of the Mortgager;
- (b) furnish full and complete returns of all the luxury provided in his new hotel, all goods manufactured, or sold, both as regards turnover of charges and description and quantity as and when called by the Mortgagee in addition to those which are to be submitted under the law;
- (c) maintain special accounts and furnish such statements as the Mortgagee, from time to time, may require; and
- (d) submit his accounts to such audit as the Mortgagee may prescribe.

(7) That after any inspection as hereinbefore provided for or on account of failure of the Mortgager to comply with or to fulfill any of the conditions of this covenant, the Mortgagee, may call upon the said Mortgager by a written notice to show cause within a month from the receipt of such notice as to why the entire amount of said deferred amount of luxury tax be not immediately recovered from Mortgager together with interest at the rate of 18 per cent per annum calculated thereon from the due date for filing of returns, in case of luxury tax deferred or the date of demand notice issued after assessment, as the case may be. After the cause shown by the Mortgager has been considered and found to be unsatisfactory or if no cause is shown within the time specified in the notice, it shall be lawful for the Mortgagee, to order lump sum recovery of the amount of deferred luxury tax along-with interest becoming payable thereon which may be recovered as arrears of land revenue;

(8) That in case the value of the security offered hereinbefore excluding the amount of earlier encumbrance, if any, falls below one and a half times the amount of deferred Luxury Tax, the Mortgagee, may call upon the Mortgager by a notice in writing to furnish additional security within the time specified therein, and in case of default by the Mortgager to furnish such additional security to the satisfaction of the Mortgagee, he may order lump sum recovery of the amount of deferred luxury tax becoming payable together with interest at the rate of 18 per cent per annum payable from the date as mentioned in clause (7) above;

- (9) (i) That in case the Mortgagee is satisfied at any stage that the deferred payment of luxury tax has been obtained by misrepresentation as to an essential fact by furnishing false information or if the Mortgager's 'new hotel' is closed within the period stipulated, the Mortgagee may order lumpsum recovery of the whole amount of deferred luxury tax, together with interest at the rate of 18 per cent per annum from the date as specified in clause (7) after affording an opportunity to the Mortgager to show cause against the proposed action.
- (ii) And further in pursuance of the said agreement and for the consideration aforesaid, the Mortgager as beneficial owner doth hereby grant, convey and assign to that Mortgagee as the first Mortgager:-
- (a) all the properties described in the schedule hereto and delineated in map on plan hereto annexed; and
  - (b) all the assets, present and to be hereinafter acquired by the Mortgager, whether the said assets present or future be in his name or that of the..... including books, debits, stocks and stores, the premises and machinery and other moveable and immoveable properties whether existing or to be purchased with the aid of the amount of deferred luxury tax hereby granted or with any portion thereof and whether referred to in Schedule hereto or not to have and to hold the same into and to the use of Mortgagee its successors and assigns for ever subject to the proviso for redemption hereafter contained;

**PROVIDED ALWAYS THAT WHEN THE HEREIN BEFORE mentioned covenants have been satisfied and continue to be satisfied till the payment of entire amount of deferred luxury tax, the Mortgagee shall at the request and at the cost of the Mortgager, recover the said deferred amount of luxury tax alongwith interest and expenses, if any, incurred in this behalf from the properties for Mortgager or the surety as the case may be.**

- (iii) AND THIS INDENTURE further witness that in pursuance of the said agreement and as security for the said sum of rupees..... the surety as beneficial owner doth hereby grant, convey and assign to the mortgagee all the properties referred to in the said schedule and delineated in the map or plan hereto attached to have and to hold the same into and to the use of the mortgagee, its successors and assigns for ever subject' to the proviso for redemption hereinafter contained and the surety both further covenant that if the mortgager shall make default in the fulfilment of any of the obligations mentioned herein before, then the whole of the said amount and interest at the rate of 18 per cent per annum calculated from the date as mentioned in clause (7) shall become due and payable by the mortgager and the mortgagee



shall be at liberty to recover the same as arrears of land revenue.

PROVIDED ALWAYS THAT WHEN THE HEREINBEFORE mentioned covenant and other conditions connected therewith have been satisfied and continued to be satisfied till the payment of entire amount of deferred luxury tax, the mortgagee shall at the request and at the cost of the Mortgager, recover the said deferred luxury tax dues alongwith interest and expenses, if any, incurred in this behalf from the properties of Mortgager.

(iv) AND in further pursuance of the agreement and covenant referred to above, the Mortgager does hereby agree to insure the entire machinery and stock in the said .....and if so required all other properties hereinafter referred to against fire to the full extent of the deferred luxury tax and that the policy of insurance shall be taken out in the name of the Mortgager and the Mortgagee and it shall be deposited with the Mortgagee. The Mortgager shall pay all premiums and at his own cost renew the policy every year during the period the properties remain mortgaged to the Mortgagee failing which the Mortgagee may pay the same and recover from Mortgager such premiums and all expenses with interest thereon at the rate of 18 per cent per annum.

(v) It is further agreed by the Mortgager that notwithstanding anything hereinbefore contained, the Mortgagee may by the appointment of its own Agent or otherwise exercise such control over the conduct of the mortgager to which deferred payment of luxury tax has been given as shall suffice in their or in his opinion to safeguard the interest of the Mortgagee in such new hotel and that the Mortgager shall forthwith comply with all recommendations made by the Mortgagee or its Agent so appointed.

(vi) It is further agreed that the appropriate stamp duty and the registration charges of this instrument shall be borne by the mortgager.

**SCHEDULE**

**(Give details of properties mortgaged/charged IN WITNESS WHERE OF THE PARTIES HAVE here into set their hands on the day, month and year mentioned as above).**

Signature by or on behalf of the above  
named firm/Registered Proprietor of  
New Hotel (Mortgager).

Signed by the mortgager in the presence of :

1. (a) Name and address .....

.....

(b) Signature .....

2. (a) Name and address .....

.....

(b) Signature .....

For and on behalf of the  
Governor of Himachal Pradesh.  
Signature and designation of officer.

Signed by the Officer for and on behalf  
of the Governor of Himachal Pradesh in  
the presence of :-

1. (a) Name and address .....

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(b) Signature .....

2. (a) Name and address .....

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(b) Signature .....

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