

FORM S.T. (DP)-IV

(See para 8(1))

Mortgage Deed to be executed by a registered dealer who wishes to avail the facility of making deferred payment of sales tax under the Himachal Pradesh General sales Tax (Deferred Payment of Tax) Scheme, 1999.

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

Between

Name (full address) registered under the Himachal Pradesh General Sales Tax Act, 1968 under Registration No..... dated the..... In the State of Himachal Pradesh (hereinafter referred to "the Mortgagor" which term shall where the context so admits include his heirs, executors, administrators and assigns and legal representatives) of the first part and he Governor of Himachal Pradesh throughduly authorized by him (hereinafter referred to as the "Mortgagee" which term shall where the context so admits, include his successors-in-office and assigns) of the second part:

Whereas the Mortgagor has assured the Mortgagee that he is the sole owner of the situated inDistrict..... (the said property being detailed or described more particularly on Schedule-I hereto), and that the same is nor mortgaged or charged or otherwise on cumbered in any way whatsoever and the same is now offered to Mortgagee as first charge;

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

And whereas the Mortgagor has applied for the grant of facility of making deferred payment of sales tax amounting to Rs..... under the provisions of sub-section (1) of section 42-A of the Himachal Pradesh General Sales Tax, Act, 1968, rules framed thereunder and the Himachal Pradesh General Sales Tax (Deferred Payment of Tax) Scheme, 1999:

And whereas the Mortgagor agrees whenever called upon by the Mortgatee to do so, to pay the whole or any part of the amount of sales tax deferred alongwith interest, in the event of failure of the Mortgagor to observe the conditions for its grant;

And whereas the Mortgagee has agreed to defer the payment of sales tax amounting to Rs.....(in words)..... (hereinafter referred to as the said amount) payable by the Mortgagor during a period of..... years, commencing from..... Subject to the conditions hereinafter appearing.

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 sales tax in the said sum of Rs..... the Mortgagor hereby covenants with the Mortgagee that he will comply with the provisions of the Himachal Pradesh General Sales Tax Act, 1968, the rules framed thereunder and the Himachal Pradesh General Sales Tax(Deferred Payment of Tax) Scheme, 1999, and the Central Sales Tax Act, 1956, the rules framed thereunder, as amended from time to time;

2. That the Mortgagor shall furnish to the prescribed authority i.e..... such reports returns and other documents as may be required or demanded by it from time to time;

3. That the Mortgagor shall not change location of the whole or any part of this joint 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 sales tax deferred is paid to the mortgagee;

4. That the Mortgagee, may at any time enter in or upon any part of the Mortgagor's industry for the purpose of inspecting the accounts/records thereof so as to ascertain that the Mortgagor had duly performed and observed the covenants and condition subject to which the facility of making deferred payment of sales 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 Mortgagor as first charge upon the total fixed assets of the said Mortgagor and on account of the cost of doing all or any such acts and things all costs incurred in connection therewith any way relating thereto;

6. That the Mortgagor shall---

a. comply with any general or special order of the Mortgagee relating to the Inspection of its premises, buildings, machinery, stock of raw material and furnished goods in hand;

b. furnish full and complete returns of all goods manufactured or sold, both as regards description and quantity as and when called for 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 herein before provided for or on account of failure of the Mortgagor to comply with or to fulfil any of the conditions of this covenant, the Mortgagee, may call upon the said Mortgagor 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 sales tax be not immediately recovered from Mortgagor together with interest at the rate of 18 percent per annum calculated thereon from due date for filing of returns, in case of sales tax deferred or the date of demand notice issues after assessment as the case may be. After the cause shown by the Mortgagor, 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 sales tax alongwith interest becoming payable which may be recovered as arrears of land revenue.

8. That in case the value of the security offered hereunder and excluding the amount of earlier encumbrance, if any, falls below one and a half times the amount deferred sales tax, the Mortgagee, may call upon the Mortgagor by a notice in writing, to furnish additional security within the time specified therein, and in case of default by the Mortgagor to furnish such additional security to the satisfaction of the Mortgagee, he may order lump sum recovery of the deferred sales tax becoming payable together with interest at the rate of 18 percent 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 sales tax has been obtained by mis-representation as to an essential fact by furnishing false information or if the Mortgagor's industrial unit is closed within the period stipulated, the Mortgagee may order lump-sum recovery of whole amount of deferred sales tax, together with interest at the rate of 18 percent per annum from the date as specified in clause (7) after affording an opportunity to the Mortgagor to show cause against the proposed action.

(ii) And further in pursuance of the said agreement and for the consideration aforesaid the Mortgagor as beneficial owner doth hereby grant, convey and assign to that Mortgagee as the first Mortgagor :-

a. all the properties described in the Schedule hereto and delineated in map or plan hereto annexed;
and

b. all the assets present and to be hereinafter acquired by the Mortgagor, whether the said assets present or future be in his name or that of the..... Including book, debts, stock and stores, the premises and machinery whether existing or to be purchased with the aid of the amount of deferred sales 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 thereafter contained:

PROVIDED ALWAYS THAT WHEN THE HEREINBEFORE mentioned covenants have been satisfied and continue to be satisfied till the payment of amount of deferred sales tax, the Mortgagee shall be at the request and at the cost of the Mortgagor, recover the said deferred amount of sales tax along with interest and expenses, if any, incurred in this behalf from the properties of Mortgagor or the surety as the case may be.