**Deed of English Mortgage**

**THIS INDENTURE OF** **MORTGAGE** executed at \_\_\_\_\_\_\_ this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_ 200\_\_\_ between M/S. ABC LTD., a Company incorporated under the provisions of the Companies Act, 1956 having its registered office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as **“THE MORTGAGOR”** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the **ONE PART**; AND X Y Z of \_\_\_\_\_\_\_\_\_\_, Indian Inhabitant having his address at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include his heirs, legal executors and administrators) hereinafter referred to as **“THE MORTGAGEE”** of the OTHER PART;

WHEREAS:

(a) The Mortgagor is the Owner of and well and sufficiently seized and possessed of the property more particularly described in the Schedule hereunder written (hereinafter referred to as **“the said property”**).

(b) The Mortgagor being in need of finance for its business purposes, requested the Mortgagee to provide the said finance.

(c) Pursuant to the said request of the Mortgagor, the Mortgagee had agreed to lend and advance and have advanced to the Mortgagor a sum of Rs. 20,00,000/- (Rupees twenty lacs only) against the security of the said property by way of Mortgage for securing repayment of the principal and interest thereof in the manner hereinafter appearing.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and in consideration of the sum of Rs. 20,00,000/- (Rupees twenty lacs only) paid to the Mortgagor by the Mortgagee on or before execution hereof (the receipt whereof the Mortgagor doth hereby acknowledge and of and from the same doth hereby release and discharge the Mortgagee) THEY the Mortgagor doth hereby covenant with the Mortgagee that they shall on the \_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called **“the due date”**) pay to the Mortgagee the said sum of Rs. 20,00,000/- (Rupees twenty lacs only) together with interest thereof at the rate of 1.25 percent per month with monthly rest (payable monthly along with the installment of the principal amount) from the date hereof by equal twenty monthly installments, the first of such payments shall be made on the \_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_ and the subsequent payments shall be made on or before 10th day of each and every following month and will also pay after the due date so long as the said sum of Rs. 20,00,000/- (Rupees twenty lacs only) or any part thereof or interest thereof shall remain unpaid to the Mortgagee in the manner aforesaid AND IT IS HEREBY AGREED AND DECLARED that if any payment of interest is not made on the due date (whether or not demanded) it shall be added to the principal sum and compounded accordingly and shall be chargeable upon the mortgaged property for all intents and purposes recorded herein, however, this provision shall not in any way permit the Mortgagor to allow any interest to fall in arrears nor shall it in anywise interfere with, prejudice, limit or affect the powers of sale or of entry or any other powers or remedies for securing and enforcing payment of the Mortgage debt hereinafter contained.

AND THIS INDENTURE ALSO WITNESSETH that the Mortgagor doth hereby grant release convey and assure unto the Mortgagee all and singular the said property more particularly described in the schedule hereunder written with all and singular the buildings, courts, compounds, yards, areas, ways, paths, passages, commons, gullies, sewers, drains, trees, plants, shrubs, wells, waters, water-courses, lights, liberties, privileges, easement, advantages and appurtenances, whatsoever to the said property or any part thereof belonging or in anywise appertaining or usually held or enjoyed or occupied therewith or reputed to belong or be appurtenant thereto AND ALL the estate, right, title, interest, claim and demand whatsoever of the Mortgagor into and upon the said property and every part thereof (hereinafter referred as “the said premises”) TO HAVE AND TO HOLD the said premises hereby granted unto and to the use of the Mortgagee subject to the proviso for redemption next hereinafter contained.

PROVIDED always that if the Mortgagor shall pay to the Mortgagee the said sum of Rs. 20,00,000/- (Rupees Twenty lacs only) on the \_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_ 2003 together with the agreed rate of interest and in the aforestated manner and also all other moneys by law or under these presents payable by the Mortgagor to the Mortgagee (hereinafter collectively referred to as **“the Mortgage debt”)** then and in such case the Mortgagee shall at the requests, costs, charges and expenses of the Mortgagor recovery the said property unto and to the use of the Mortgagor and in the meantime and until any default is made by the Mortgagor, the Mortgagor shall remain in the possession or receipt of the rents and profits of the said property and if the Mortgagor shall fail to pay to the Mortgagee on the due date the Mortgage debt then the said property hereby granted shall not be redeemable by the Mortgagor or any other person or persons interested in the equity of redemption thereof at any time thereafter and the Mortgagee shall be entitled to refuse to accept payment of the Mortgage debt unless the Mortgagor or such person or persons shall have given to the Mortgagee three months previous notice in writing making an appointment to pay off the Mortgage debt on any working day during banking hours and shall pay the same accordingly and in conformity with such notice on such appointed day or unless and in the alternative and in default or in lieu of such notice the Mortgagor or such person or persons shall pay to the Mortgagee in addition to the Mortgage debt and at the same time a further sum equivalent to three months’ interest on the Mortgage debt at the rate of 1.25 percent per month with monthly rest and every failure on the part of the Mortgagor or such person or persons to pay off the Mortgage debt strictly in accordance with such notice as aforesaid and on the day thereby appointed shall entitle the Mortgagee to a fresh notice of the same sort or in default thereof to three month’s further interest at the rate aforesaid.

PROVIDED ALWAYS AND IT IS HEREBY AGREED that nothing hereinbefore contained shall affect the right of the Mortgagee to call for payment at any time after the due date of the money for the time being due and owing to him on the security of these presents.

AND the Mortgagor doth hereby covenant with the Mortgagee that the Mortgagor now has good right and full power to grant the said property hereby granted or expressed so to be and every part thereof unto and to the use of the Mortgagee in manner aforesaid and that if default shall be made in payment of the principal or interest thereof in the manner provided above, the Mortgagee may at any time thereafter enter into and upon the said property or any part thereof in the name of the whole and shall thenceforth quietly possess and enjoy the same and receive the rents and profits thereof without any lawful interruption or disturbance whatsoever by the Mortgagor or any other person or persons lawfully claiming under them, free from all encumbrances whatsoever and further that they the Mortgagor and all other persons having or lawfully or equitably claiming any estate or interest in the said property or any part thereof shall and will from time to time and at all times hereafter upon the request of the Mortgagee and at the cost of the Mortgagor during the continuance of this security and afterwards of the persons requiring the same to do and execute or cause to be done and executed all such acts, deeds and things, whatsoever for further and more perfectly assuring the said property unto and to the use of the Mortgagee in manner aforesaid as shall or may be reasonably required by the Mortgagee and also that the Mortgagor shall from time to time and at all times during the continuance of this security keep the said property hereby granted or expressed so to be in a good and substantial state of repairs and shall pay all the rates and taxes, assessment dues and duties payable in respect of the same and in the event of default it shall be lawful for the Mortgagee [without being bound to do so] to keep the said property in such repairs and to pay such rates, taxes, assessments, dues and duties as aforesaid and the Mortgagor shall and will from time to time on demand pay to the Mortgagee all sums of money so paid or expended together with interest thereon at the rate of 1.25 percent per month (to be compounded monthly) from the time the same shall have been so paid or expended and until so repaid the same shall be a charge upon the said property in addition to the principal sum and interest thereof and also that the Mortgagor will so long as any moneys shall remain due on the security of these presents keep all the messuages and buildings hereby granted or expressed so to be, insured with some reputed Fire Insurance Company in Mumbai against loss or damage by fire in the sum of Rs. 30,00,000/- (Rupees Thirty lacs) at the least and pay all premiums and sums of money necessary for such purpose at least within thirty days from the date hereof and will on demand deliver to the Mortgagee such insurance policy and the receipt for every such payment duly endorsed and assigned in favour of the Mortgagee and that the Mortgagor will not at any time hereafter during the continuance of any such insurance as aforesaid do any act or commit any default whereby the said insurance may be rendered void or voidable or an increased premium become payable therefore and shall and will in case at any time during the continuance of this security the said insurance shall by any means become void or voidable forthwith at his own costs effect a new insurance in lieu of such void or voidable insurance in the name of the Mortgagee and that if default shall be made in insuring or keeping the said premises insured as aforesaid it shall be lawful for the Mortgagee on giving 24 hours notice to insure and keep insured the said property and that the Mortgagor will on demand repay to the Mortgagee every sum of money expended for that purpose by him with interest thereon at the rate aforesaid from the time of the same respectively having been so expended and that until such repayment the same shall be a charge upon the said property and it is hereby agreed and declared that all sums of moneys received under or by virtue of any such insurance as aforesaid shall at the option of the Mortgagee either be forthwith applied in or towards substantially rebuilding, reinstating and repairing the said property or in or towards the payment of the principal money and interest for the time being remaining due on the security of these presents provided always and it is hereby agreed and declared that in the event of any damage happening to the said property hereby granted by fire, tempest, earthquake, lightning, rain or otherwise howsoever or if the Mortgagor is wound up and/or ordered to be wound up or commits any act of bankruptcy or becomes incapable of managing it’s affairs at any time or times after the execution hereof so as to materially impair the security hereby created then and in such case notwithstanding anything herein contained to the contrary the whole of the Mortgage debt shall at once at the option of the Mortgagee become immediately payable as if the due date had then elapsed and in such case all such rights and remedies shall be available to the Mortgagee as would be available to him under the terms of these presents or by law upon default being made in payment of the principal money and interest hereby secured.

PROVIDED ALWAYS AND IT IS RECORDED that the principal and interest shall be paid every month regularly as provided above and if the same remains unpaid for a period of three months then and in that case the whole of mortgage debt shall become payable on demand as if the due date had then elapsed and in such case all such rights and remedies including the power of sale shall be available to the Mortgagee as would be available to him under or by virtue of these presents or by law upon default being made in payment of Mortgage debt hereby secured.

**And it is hereby further recorded** that it shall be lawful for the Mortgagee, without any further consent of the Mortgagor, to appoint, such person as he thinks fit to be the Receiver, Agent and Attorney from time to time in the name of the Mortgagor or otherwise to receive the rents and profits of the said property from the present and future tenants and occupiers thereof and the persons liable to pay the same respectively, and in case of the non-payment thereof to use all or any lawful remedies for recovering and obtaining payment of the same as fully and effectually as the Mortgagor could do and the Mortgagor doth hereby direct the present and future tenants and occupiers of the said property and the persons liable to pay the same respectively, to pay the rents and profits of the said property unto such Receiver and to any future Receiver to be appointed as hereinafter mentioned and it is further recorded that the receipt of the Receiver for the time being shall be an effectual discharge to such tenants, occupiers and persons for such rents and profits and the Receiver shall have power to make such allowances to and arrangements with such tenants, occupiers and other persons as he shall think fit and to give notice to quit and bring and take actions and proceedings for ejectment and recovery of possession of any of the said premises on the expiration or determination or forfeiture of any tenancy or otherwise and to relet the same or any part thereof from time to time to such person or persons as he shall think fit at the best rents which may be reasonably obtainable and it is hereby agreed that the Receiver shall out of the rents and profits received by him in the first place pay all ground rents, rates, taxes, charges, assessments and outgoings (including cost of repair and insurance) for the time being payable in respect of the said property and in the next place pay the expense of collection and management and deduct and retain for his own use so much not exceeding ten percent of the total amount received as in the opinion of the Mortgagee the Receiver shall be reasonably entitled to for his trouble and in the next place pay to the Mortgagee by equal payments the interest from time to time accruing due on the security of these presents and shall allow the surplus if any of the said rents and profits to accumulate and pay the same to the Mortgagee in reduction of the principal amount due to him Provided always that the Receiver may be removed and a new Receiver may be appointed from time to time by the Mortgagee and it is recorded that the Receiver shall be deemed to be in all respects the agent of the Mortgagor and that the Mortgagee shall not under any circumstances be answerable for any loss or misapplication of the said rents and profits or any part thereof by reason of any default, neglect or breach of trust of or by the Receiver or for any other loss or damage occasioned by the acts or defaults of the Receiver but such loss, misapplication and damage and every Receiver’s salary shall be wholly borne and paid by the Mortgagor **Provided also and it is hereby agreed** that the aforesaid power of appointing a Receiver conferred on the Mortgagee shall not be exercised by him unless payment of interest shall be in arrears for three months or unless some event has happened whereby the Mortgagee shall be entitled to exercise his power of sale or the Mortgagor having committed any breach and it is recorded that once the Receiver is appointed by the Mortgagee no one including tenant/occupants shall be entitled to question and/or dispute the appointment and powers of the Receiver.

**It is hereby recorded, agreed and declared** that it shall be lawful for the Mortgagee at any time or times hereafter without any further consent on the part of the Mortgagor to sell the said property or any part or parts thereof by public auction or private treaty in the manner and on the terms and conditions deemed fit and proper by the Mortgagee with power to postpone such sale from time to time and buy the same at any sale by public auction, without being answerable for any loss or diminution in price occasioned thereby and for the purposes aforesaid or any of them to make agreements, execute assurances, give effectual receipts or discharges for the purchase money, and do all other acts and things for completing the sale **Provided always** and it is hereby recorded that such power of sale shall not be exercised by the Mortgagee unless and until:—

(a) if any payment of any money secured by this deed is not paid on the dates on which they are payable, whether demanded or not and the same or any part thereof remains unpaid even after notice in writing (giving three calendar months time to rectify such breach) as required by Section 69 sub-Section (2) of the Transfer of Property Act is served upon the Mortgagor requiring payment of the said amount.

(b) if the Mortgagor commits any act of bankruptcy or otherwise becomes incapable of managing it’s affairs or is wound up and/or ordered to be wound up;

(c) if the power of appointing a Receiver becomes exercisable; and

(d) if the Mortgagor commits default in observing or fulfilling any of its obligations herein and does not make good the default within clear 30 days from the day of service of notice by the Mortgagee specifying the default.

**And it is hereby declared** that any such notice as aforesaid as well as any other notice required to be served upon the Mortgagor shall be deemed to have been duly served on the Mortgagor by delivering a copy of such notice to the Mortgagor or sending the same through Post addressed to it’s last known place or place of abode or by leaving or affixing the same upon or to some part of the Mortgaged premises and shall be sufficient and valid and **it is hereby further agreed and declared** that without prejudice to all rights conferred on the Mortgagee by Section 69 of the Transfer of Property Act no purchaser upon any sale to be made under the powers hereinbefore contained shall be bound or concerned to see or inquire whether either of the case mentioned in the proviso lastly hereinbefore contained has happened or whether any such default has been made or whether any money remains owing on this security or whether any such notice has been given or the steps before exercising the power of sale are properly exercised and notwithstanding any such irregularity, impropriety or want of necessity such sale shall as far as regards the safety or protection of the purchaser or purchasers be deemed to be within the aforesaid power in that behalf and be valid and effectual accordingly and the remedy of the Mortgagor in respect of any breach of the proviso lastly herein before contained for any irregularity in any such sale shall be in damages only and it is hereby agreed and declared that upon any such sale as aforesaid the receipt of the Mortgagee for the purchase money of the property sold shall be effectual discharge for the money expressed to be received and that no purchaser shall be concerned to see to the application of the purchase money or be answerable for any loss, misapplication or non-application thereof and it is hereby further agreed and declared that the Mortgagee shall hold the moneys to arise from any such sale in the first place, there from to reimburse himself or pay and discharge all the costs, charges and expenses attending to or incurred in or about such sale or otherwise in respect of the said property and in the next place to apply such moneys in or towards satisfaction of all and singular the moneys for the time being owing on the security of these presents and to pay the surplus if any of the said moneys unto the Mortgagor and it is declared that the Mortgagee shall not be answerable or accountable for any involuntary losses which may happen in or about the exercise or execution of the aforesaid powers or any of them and it is hereby further agreed and declared that on the said property or any portion thereof being at any time acquired by any authority or by any other public body for a public purpose the Mortgagee shall be entitled to receive the compensation to which the Mortgagor may be entitled and to apply the same towards repayment of the moneys for the time being due to him under these presents including interest in lieu of notice and all proceedings for ascertainment and apportionment of the compensation payable for the said property shall be conducted by the Mortgagee through his Advocates and the Mortgagor shall repay on demand to the Mortgagee all costs, charges and expenses that may be incurred by the Mortgagee with interest thereon at the rate aforesaid from the time the same having been incurred and that until such repayment the same shall be a charge upon the said property AND IT IS HEREBY FURTHER AGREED AND DECLARED that the Mortgagor will pay all costs, charges and expenses in any manner incurred or made by the Mortgagee of and incidental to these presents or of and incidental to or in connection with this security including the stamp duty and registration charges as well for the assertion or defense of the right of the Mortgagee as for the protection and security of the said property and for the demand realization and recovery of the amount of principal and interest secured by these presents or any part thereof or for the exercise of any of the powers contained in these presents and the same shall be paid on demand by the Mortgagor to the Mortgagee with interest thereon at the rate aforesaid from the time of the same having been so incurred and that until such repayment the same shall be a charge upon the said property hereby granted.

Until the repayment of the entire Mortgage debt in full, **it is agreed, recorded, confirmed and covenanted by the Mortgagor as under**:—

 (i) They shall keep the said property free from all encumbrances, liens and reasonable doubts.

 (ii) They shall not without the written consent of the Mortgagee create any lease and/or any kind of third party rights of whatsoever nature in respect of the said property.

 (iii) They shall not transfer or create any new tenancies in respect of the tenements in the said property.

**THE SCHEDULE ABOVE REFERRED TO:**

**(Description of the said property)**

IN WITNESS WHEREOF the parties hereto have executed these presents on the day and year find hereinabove written.

THE COMMON SEAL OF the )

ABC LTD., the MORTGAGOR above named )

is hereunto affixed pursuant to the )

Resolution of its Board of Directors )

passed in that behalf, on the \_\_\_\_\_\_ )

day of \_\_\_\_\_\_\_\_\_\_\_ 200\_\_\_ in the presence of )

(1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Managing Director and )

(2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Director and in )

the presence of:— )

SIGNED, SEALED AND DELIVERED by )

X Y Z, the MORTGAGEE )

Above named, in the presence of:— )

**R E C E I P T**

RECEIVED the day and year first above written of and from the withinnamed Mortgagee the sum of Rs. 20,00,000/- (Rupees Twenty lacs only) being the full consideration money as aforesaid.

Rs. 20,00,000/-

 We say Received

 (THE MORTGAGOR)