**ENGLISH MORTGAGE IN FAVOUR OF A BANK**

This indenture made at………………the………………day of………………between X Y Z Co. Ltd., a Company incorporated under the Companies Act, 1956 and having its registered office at ........................... hereinafter referred to as the "Mortgagor" (which expression shall unless be repugnant to the context or meaning thereof be deemed to include its Successors and permitted assigns) of the ONE PART and.................Bank, a banking corporation constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and having its registered office at………………and amongst other places a Branch…………hereinafter called the Mortgagee, (which expression shall unless be repugnant to the context or meaning thereof be deemed to include its Successors and assigns) of the OTHER PART.

WHEREAS the Mortgagor is a company incorporated under the Companies Act, 1956 and having authorised share capital of Rs. .................divided into………………shares of Rs………………each and carrying business of………………at………………

AND WHEREAS the Mortgagor is absolutely seized and possessed of or otherwise well and sufficiently entitled to the land and premises bearing Plot No ………………Survey No……… situate, lying and being at Village………………Taluka………………within the Registration District and Sub District of………………and more particularly described in the First Schedule hereunder written and hereinafter referred to as the said land.

AND WHEREAS the Mortgagor has erected factory and buildings on the said land and installed machineries, plants and fixtures, the details of which have been given in the Second Schedule hereunder.

AND WHEREAS the Mortgagor is in need of Rs ………………for the purposes of purchase of some machineries and working capital and has approached the Mortgagee to grant loan of Rs . ...................... which the Mortgagee has agreed to do upon having the repayment thereof with interest secured to it in the manner hereinafter appearing.

NOW THIS INDENTURE WITNESSETH THAT in pursuance of the said agreement and in consideration of the sum of Rs ………………at or before the execution of these presents lent and advanced by the mortgagee to the mortgagor (the receipt whereof the Mortgagor doth hereby acknowledge and of and from the same doth hereby release and discharge the Mortgagee), the Mortgagor doth hereby covenant with the Mortgagee that the Mortgagor shall repay to the Mortgagee the said sum of Rs………………(Rupees………………) (hereinafter referred to as the said principal sum) together with interest for the same in meantime at the rate of………………per cent per month from the date of these presents by equal monthly payments, the first of such payments shall be made on the………………day of..................... now next and the subsequent payments shall be made regularly before 10th of each month and shall in case and so long as the said principal sum or any part thereof shall remain unpaid, pay to the Mortgagee interest on the said principal sum or so much thereof as shall for the time being remain unpaid at the time and the rate aforesaid. Provided always and it is hereby agreed and declared that if default shall be made in payment of any instalment of interest hereby reserved or any part thereof at the time hereinbefore appointed in that behalf, then the unpaid instalment of interest or part thereof shall be added to the principal sum for the time being then due and be payable from time on the day hereinbefore appointed for the payment of interest on the principal sum on the footing of compound interest computed at the same rate aforesaid with rests made on monthly on the date hereinbefore provided for payment of interest and all such compounded interest shall be a charge on the said properties, structures and machinery hereby

mortgaged and charged provided however that this provision shall not be deemed to authorise the Mortgagor to allow any interest to fall in arrears nor shall it in anywhere prejudice, limit or affect the powers of the mortgagee to take any legal proceedings or other action under these presents to recover the interest or other moneys due under these presents that may have been in arrears and remain unpaid of the said agreement and in consideration of the premises, the mortgagor doth hereby grant, convey, transfer and assure unto the mortgagee all that piece or parcel of land together with all the buildings, messages and tenement now standing thereon or which may hereafter be erected upon or any of them or any part thereof bearing Plot No..

AND THIS INDENTURE ALSO WITNESSETH THAT in pursuance ............... Survey No . ………………situate, being and lying at Village………………Taluka………………within the Registration District and Sub District of more particularly described in the First Schedule hereunder written and delineated on the Plan thereof hereto annexed and thereon shown surrounded by a red coloured boundary line. Together with all and singular, the houses, outhouses, wells, water, water courses, ways, paths, gullies, passages, lights, liberties, privileges, easements, advantages and appurtenances whatsoever to the said land, machineries, and structures, appertaining or with the same or any part thereof now or heretofore occupied or enjoyed or reputed or known as part, parcel or member thereof or appurtenant thereto and all the estate, right, title, interest, claim and demand of the Mortgagor into and upon the said land and buildings or any part thereof, to have and to hold the said land and buildings and all other premises hereinbefore expressed to be hereby granted with all and every of their appurtenances unto and to the use of the Mortgagee, subject to the proviso for redemption hereinafter provided.

AND THIS INDENTURE FURTHER WITNESSETH THAT in further pursuance of the said agreement and in consideration of the premises, the Mortgagor doth hereby assign, transfer and assure unto the Mortgagee all and singular the machineries, plants, fixtures, engines, boilers, motors, equipments, accessories, chattels and things, (whether fixed or movable and whether attached to the said land), the detailed particulars of which have been given in Second Schedule hereunder written, which now are or which may at any time hereafter during the continuance of this security be affixed, installed or erected or be brought in or placed upon the said land and buildings by the Mortgagor for the purpose of its business (all such plants and assets hereinafter referred to as the said structures and machineries) and all the estate, right, title, interest, claim and demand of the Mortgagor unto and upon the said structures and machineries, to have and to hold the said structures and machineries, unto the mortgagee absolutely subject to the proviso for redemption hereinafter contained.

AND THIS INDENTURE ALSO WITNESSETH THAT the mortgagor hereby charges in favour of the Mortgagee all the property and assets of the Mortgagor for the time being both present and future other than the mortgaged premises including its goodwill, uncalled capital, book debts and outstanding monies, held in cash or in bank accounts, funds created by the Mortgagor' and the investments for the time being representing the same (hereinafter referred to as "all assets") with the payment of all moneys for the time being owing by the Mortgagor under these presents and such charge shall rank as floating charge and shall in no way hinder or prevent the Mortgagor from selling, leasing, mortgaging, charging, transferring or otherwise disposing of or dealing with in the ordinary course of business for the purpose of carrying on the same, but the Mortgagor will obtain prior consent of the Mortgagee before creating any encumbrance upon all assets charged or any part thereof ranking in priority to or pari passu with the security hereby constituted.

PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED THAT if the Mortgagor shall pursuant to the covenant in that behalf hereinbefore contained on the………………day of.....................20………………pay to Mortgagor the sum of Rs ……………… with interest for the same at the rate and in manner hereinbefore mentioned and also other moneys payable by law by the Mortgagor or under these presents, hereinafter referred to as the Mortgage debt, then in such case the Mortgagor shall upon and at the costs, charges and expenses of the Mortgagor reconvey the lands and buildings and the said structures and plants and release all assets from the charge hereby created (all of them hereinafter referred to as the Mortgaged premises) unto and to the use of the Mortgagor or as it may direct and shall also deliver to the Mortgagor, this Mortgage deed and or documents relating to mortgaged premises which shall be in the possession or power of the Mortgagee.

(2) The Mortgagor hereby covenants with the mortgagee as follows:

(i) That the Mortgagor is the absolute owner of the mortgaged premises and it is authorised to dispose of the same and the said mortgaged premises are free from any encumbrances, charge or lien whatsoever.

(ii) That if the Mortgagor fails to pay the said principal sum or interest thereon or any part thereof or commits default in the performance or observance of any of the covenants, conditions or provisions herein contained and on the part of the Mortgagor to be observed and performed then the Mortgagee shall be entitled and authorised to enter into and upon and take possession of the mortgaged premises and thenceforth quietly to hold, possess and enjoy the same and receive the rents, income, profits and benefits thereof without any denial, let, eviction, interruption, claim or demand by the Mortgagor or by any person or persons whomsoever. And that in such case the Mortgagee shall pay all the outgoings of the mortgaged premises as the agent of the Mortgagor and shall appropriate the surplus of the rents, profits and income over the outgoings first in payment of the interest accruing to the Mortgagee under these presents and thereafter towards the principal sum due under these presents. And that the Mortgagor hereby indemnify and keep indemnified the mortgagee from and against all and all claims, demands, charges and encumbrances on the mortgaged premises whatsoever.

(iii)That the Mortgagor and his legal heirs, executors, administrators, assigns or all other persons lawfully or equitably claiming or entitled to claim any estate, right, title or interest into or upon the mortgaged premises or any of them or any part thereof respectively shall and will from time to time and at all times hereafter at their own cost execute, make and do or cause or procure to be executed made and done every such assurance, act and thing for further or more perfectly assuring all or any of the mortgaged premises unto and to the use of Mortgagee as shall be reasonably required.

(iv)That all assets aforesaid are the absolute property of the Mortgagor and at the sole disposal of the Mortgagor and free from any charge or encumbrance.

(3)The Mortgagor doth hereby further covenant with the Mortgagee as follows:

(i)During the continuance of these presents and the security hereby created, the Mortgagor shall pay all the ground rents, rates, taxes, assessments, dues, duties and outgoings payable in respect of the mortgaged premises immediately the same shall have become due.

(ii)During the continuance of these presents and the security hereby, the Mortgagor shall keep the mortgaged premises and every part thereof in good and substantial state of repair and working order and will, also keep the same insured in the joint names of the Mortgagee and the Mortgagor against loss or damage by fire, flood, earthquake, cyclone, typhoon, hurricane, lightening, explosion and other acts of God as also by riot, strikes, or other civil commotions or revolutions as also by acts of enemies during war or other risk of war or such of the aforesaid or other risks as may from time to time be required by the Mortgagee to be insured against and their full value (to be determined by the Mortgagee at its sole discretion) with any insurance company approved by the Mortgagee and the Mortgagor shall pay all premia for renewal of such insurance or insurances one week before the same shall become due and will deliver all policies of such insurance and all receipts for premia therefor to the Mortgagee. And the Mortgagor shall not at any time hereafter during the continuance of any such insurance as aforesaid do or cause or allow to be done any act or commit any default whereby the said insurance may be rendered void or voidable or on increased premium may become due therefor.

(iii) In case the Mortgagor makes default in keeping the mortgaged premises or any part thereof in good and substantial repair and working order or in paying the ground rents, rates, taxes, dues, assessments, duties as aforesaid or to effect or keep up such insurance or insurances as aforesaid and pay the renewal premia therefor in manner aforesaid then in such case the Mortgagee may repair and keep in good and substantial repair and working order the mortgaged premises or any part or item thereof and pay any such ground rents, rates, taxes, assessments, outgoings, dues and duties and to insure and keep the mortgaged premises insured for their full value or any less sum and for such time as the Mortgagee shall think proper and to pay the renewal premia therefor and all moneys by the Mortgagee in so doing shall on demand be forthwith repaid by the Mortgagor to the Mortgagee with interest at the rate aforesaid from the time of the same respectively having been expended and until such repayment, the same shall be a charge upon the mortgage premises together with the principal sum and interest hereby secured as if they formed part thereof.

(iv) The Mortgagor shall permit the Mortgagee, its agents, either alone or with its officers, employees and others from time to time and at all reasonable times to enter into and upon the said Lands and Building and to inspect the same and the structures and machineries and the parts thereof and if upon such inspection it appears to the Mortgagee that the said Land and Buildings and structures and machineries or any of them or any part thereof require repairs or replacement, the Mortgagee shall give notice thereof to the Mortgagor calling upon the Mortgagor to repair or replace the same including the structures and machineries and upon the failure of the Mortgagor to do so within one month of the date of such notice it shall be lawful for but not obligatory upon the Mortgagee to repair or replace the same or any part thereof at

the expenses in all respects of the Mortgagor and such expenses together with interest thereon at the rate aforesaid shall until repayment be a charge upon the mortgaged premises and form part of the mortgaged debt and carry interest at the rate, aforesaid.

(v) The Mortgagor shall not without the prior written consent of the Mortgagee, remove the structures or machineries or any part thereof from the said Land and Buildings and in case it removes any structures, machinery or any part thereof with the consent of the Mortgagee, the

Mortgagor shall replace the same by structure or machinery of equivalent nature and equal value provided that in the event of the Mortgagee agreeing that any such part of the structure or machinery so removed as aforesaid is or has become redundant, worn out or obsolete and need not be replaced, the same may be sold by the Mortgagor and the sale proceeds applied towards satisfaction or payment of the mortgaged debt.

(vi)If the market value of the mortgaged premises (excluding the goodwill) depreciates in the opinion of the Mortgagee, the Mortgagee may call for further security to their satisfaction and if further security be not given to the Mortgagee then and in such case the Mortgagor shall within a period of three months from written notice to that effect being given by the Mortgagee reduce its indebtedness to the Mortgagee to an amount mentioned by the Mortgagee in this regard.

(vii)Save and except as provided in the clause………relating to the floating charge on all assets, the Mortgagor shall not at any time during the continuance of this security sell or dispose off the mortgaged premises or any part thereof or create any mortgage, lien or charge by way of hypothecation, pledge or otherwise howsoever or other encumbrances of any kind whatsoever without the prior permission or consent of the Mortgagee in writing and the mortgaged premises and all parts thereof shall remain and continue to remain free from any encumbrance, charge or lien whatsoever during the continuance of these presents.

(viii) During the currency of these presents the Mortgagor shall keep a minimum margin of fifty percent between the market value of the mortgaged premises and the amount of the outstanding loan with interest thereon:

PROVIDED FURTHER AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

(4) (i) 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 mortgaged premises or any part thereof either by public auction or private contract and the structures and machineries either together with the said Land and Buildings or separately therefrom with liberty to make any arrangements as to the removal of the structures or machineries sold separately from the said Land and Buildings and either with or without any special conditions or stipulations relative to title or evidence of title or other matters as the Mortgagee may think fit with power to buy in the mortgaged premises or any part thereof at any sale by auction or to rescind or vary any contract for the sale thereof and to resell the mortgaged premises or any part thereof which shall have been so bought in or as to which the contract for sale shall have been so rescinded without being answerable or responsible/liable for any loss or diminution occasioned thereby. And with power also to execute assurances and give effectual receipts for the purchase money and to do all other acts and things for completing the sale which the person or persons exercising the power of sale shall think proper and the aforesaid power shall be deemed to be a power to sell and concur in selling the mortgaged premises without the intervention of any Court of Law within the meaning of section 69 of the Transfer of Property Act, 1882 or any other law for the time being in force and it is hereby further agreed and declared that the sale proceeds of the property so sold shall be applied in the first place towards the costs and expenses attending such sale or otherwise incurred in relation to this security and in the next place will be appropriated towards the principal sum and interest payable thereon under these presents and the balance if any shall be paid to the Mortgagor; provided that the power of sale shall not be exercised by Mortgagee unless and until the Mortgagor commits default in making payment of any instalment of the said principal sum or any part thereof on the days appointed for payment thereof and for the period of three calendar months next after the notice in writing requiring the payment of any instalment of the said principal sum or such part thereof as may for the time being be due shall have been sent to the Mortgagor by registered post acknowledgement due addressed to its last known place or by leaving at the registered office of the Mortgagor or affixed to some part of the said Land and Building and interest amounting to at least Rs. 5,000 (Rupees Five thousand only) shall be in arrears and remain unpaid for three calendar months after becoming due. Any such notice as aforesaid as well as any other notice required to be served upon the Mortgagor shall be sufficient and valid although dated and served on any day before the due date and although not addressed to any person or persons by name or description and although any person or persons affected thereby may be absent, unascertained or under disability.

(ii)Without prejudice to all rights conferred on the mortgagee by section 69, Transfer of Property Act, the purchaser upon any sale purporting to be made in pursuance of the aforesaid power in that behalf shall not be bound or concerned to see or inquire whether any of the causes/circumstances mentioned in the clause last hereinbefore contained has happened or existed or whether any default has been made by Mortgagor in making payment of any moneys or whether any instalment or part thereof remains owing on this security or whether any such notice has been served or left as aforesaid or otherwise as to the necessity or expediency of the conditions subject to which such sale is made or the sale will not be affected by express notice that no default has been made or notice given or left or affixed as aforesaid or that any such sale is otherwise unnecessary, irregular or improper and notwithstanding any such irregularity in making or effecting such sale, the purchaser or purchasers shall acquire, clear and marketable title to the property acquired and such sale will be deemed to be validly made within the powers of the Mortgagee. The Mortgagor shall be entitled to the remedy of damages in respect of any breach of the provisions hereinbefore contained or any irregularity in such sales.

(iii) Upon any such sale as aforesaid, the receipt of the Mortgagee for the purchase money shall effectually discharge the purchaser or purchasers therefor and that no purchaser shall be concerned to see to the application or non application of the purchase money or being answerable for the loss or misapplication or non application thereof.

(iv) The Mortgagee shall be entitled to exercise the power of sale as aforesaid given, by any person or persons who shall for the time being be entitled to receive and give discharge for the moneys owing on the security of these presents and the Mortgagee shall not be answerable or accountable for any involuntary losses which may happen or in about the execution of the aforesaid powers or trusts or any of them.

PROVIDED FURTHER AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

(5) (1) The Mortgagee in addition to any other powers hereby conferred on it without any further consent or concurrence of the Mortgagor shall have power to appoint in writing a Receiver or Receivers of the mortgaged premises (including the structures and machineries) to receive the rents, profits and income thereof under the provisions of section 69A of the said Transfer of Property Act and in that event shall be at liberty and entitled to appoint any officer of the Mortgagee or any other person or persons as such receiver or receivers by writing signed by the Mortgagee or on its behalf and all the powers, provisions and trusts contained in the said section 69A of the said Transfer of Property Act shall apply to the Receiver or Receivers appointed by the Mortgagee.

(ii) The receiver or receivers appointed by the mortgagee shall be deemed to be agent or agents of the Mortgagors and the Mortgagor shall be liable for the acts or default of the receiver or receivers.

(iii) The Mortgagor may with the prior written consent of the Mortgagee deal with its book and other debts and assets in due course of business on the express understanding that the same and all proceeds thereof and documents therefor are always kept distinguishable and held in trust for the Mortgagee and after the appointment of receiver or receivers the Mortgagor shall not create any mortgage, charge, lien or encumbrance upon or over such debts and assets or any part thereof without the consent in writing of the Mortgagee.

(iv) The Mortgagor shall not exercise the power of grant of lease as contained in section 65A of the Transfer of Property Act without the prior written consent of the Mortgagee.

(v) The Mortgagor may retain possession of the mortgaged premises and receive the rents, profits and advantages of the same, until the Mortgagee shall be entitled to take possession thereof under these presents and shall take possession thereof accordingly.

(vi)Notwithstanding anything contained in sections 61 and 67A of the Transfer of Property Act, the Mortgagee may hold two or more mortgages executed by the Mortgagor including these presents and the mortgagor shall have the right to obtain the same kind of decree under section 67 of the Transfer of Property Act. The Mortgagor may sue and obtain such decree on any one of such mortgages without being bound to sue on all such mortgages in respect of which the mortgage moneys shall become due and payable by the Mortgagee.

(vii)If the Mortgagor makes default in the repayment of the mortgaged debt or any part thereof or fails to comply with any of the terms and provisions of these presents, the Mortgagee shall be entitled to take over the management of the whole concern/undertaking(s) and business of the Mortgagor. On taking over the management of the mortgagor's business, the Mortgagee may transfer such business by way of lease or sale and realise all the properties and assets

mortgaged to the Mortgagee hereunder. If the Mortgagor makes default to such extent that the mortgagee decides to take over the management of the Mortgagor's business, it shall give a notice in writing to the Mortgagor and on service of such notice, the Mortgagor shall hand over the charge and management of the whole of the business and undertaking of its concern to the Mortgagee and on any transfer of any of the properties and assets made by the Mortgagee in exercise of any of the powers under the foregoing provisions, all rights in or to the property or assets transferred shall vest in the transferee as if the lease or sale had been made by the Mortgagor and the Mortgagee shall have the same rights and powers in respect of the goods manufactured or produced wholly or partially from goods forming part of the security created under these presents as the Mortgagee has with respect of the original goods and in case the Mortgagee takes over the management of the business and concern of the Mortgagor under the foregoing provisions, the Mortgagee shall be deemed to be the owner of the assets and concern of the Mortgagor for purposes of all suits by or against the Mortgagor and may sue and be sued in the name of the Mortgagor provided that if the management of the Mortgagor is taken over by the Mortgagee and/or any property is transferred, all costs, charges, and expenses properly incurred by the Mortgagee incidental to such management and/or transfer shall be recoverable from the Mortgagor and the moneys which shall be received by the Mortgagee from such management and/or transfer and realisation shall be held by the Mortgagee in trust and be applied first in payment of costs, charges and expenses of taking over the management and/or transfer of any such property then in payment of the costs, charges and expenses incurred by the Mortgagee. Thereafter balance shall be appropriated by the Mortgagee towards interest due under these presents in payment of principal sum and the residue of such moneys, if any, shall be paid over to the Mortgagor or the persons entitled thereto; provided further that the mortgagee may appoint any person or persons for taking over the management of the whole concern/undertaking(s) and business of the Mortgagor and such person or persons may be appointed as Directors in place of or in addition to the directors of the Mortgagor and appointment of such directors by the Mortgagee may be made on such terms and conditions, as the Mortgagee may deem fit and proper.

(viii) In the following circumstances, the principal sum will become due immediately and the mortgagee may require the Mortgagor to pay the Mortgage debt in full:

(a) if the mortgagee has reason to believe that the mortgagor has given false or misleading information or any material particular for securing debt from the Mortgagee; or

(b) if the Mortgagor fails to comply with any of the terms of these presents; or

(c) the Mortgagee has reason to believe that the Mortgagor is unable to pay his debts or proceedings for liquidation against the Mortgagor have commenced; or a scheme of compromise and/or amalgamation is filed/pending in a Court of Law; or

(d) if the properties and assets hereby mortgaged to the Mortgagee and as security for the monies hereby secured are not insured and kept insured by the Mortgagor or the value of the mortgaged premises has depreciated by more than such percentage as shall be fixed by the Mortgagee and the Mortgagor has failed to furnish further security or if the security becomes insufficient within the meaning of section 66 of the Transfer of Property Act; or

(e) if the Mortgagor has removed machinery or part or parts thereof from the said Land and Buildings without the written consent of the Mortgagee; or if it is necessary for Mortgagee to protect his interest; or

(f) if the Mortgagor commits default in the payment or any instalment of the said principal sum for a period exceeding one month; or if any interest payable under these presents exceeds Rs. 5,000 and shall be in arrears and unpaid for one month after it becomes due; or the Mortgagor commits default in the observance or performance of any of the covenants, conditions or provisions of these presents; or if the Government or any public authority acquires or take over the mortgaged premises or any part thereof for public purposes.

The decision of the Mortgagee on the question whether any of the above events has happened, shall be final and conclusive and the Mortgagor shall not be entitled to raise objection that the above events have not happened.

AND IT IS HEREBY FURTHER AGREED AND DECLARED AS FOLLOWS:

(6) (i) If the Mortgagee takes possession of the mortgaged premises or any part thereof or a receiver or receivers have been appointed, it shall be lawful for but not obligatory upon the Mortgagee or Receiver or Receivers as the case may be, to carry on the business of the Mortgagor with the mortgaged premises. If the Mortgagee or receiver or receivers carry on the business, they may conduct the same as they may deem fit and proper in its or their absolute discretion and for the purposes of the said business, the Mortgagee or receiver or receivers may appoint and employ such agents, managers, engineers, solicitors, accountants, servants and workmen upon such terms and conditions as to remuneration or otherwise as the Mortgagee or the Receiver or Receivers may think fit and proper and to repair and or dispose off such of the machineries and effects of the Mortgagor as shall be worn out, damaged or lost or otherwise become unfit in any way for use and generally to do or cause to be done all such acts, deeds and

things and to enter into all such arrangements or contracts respecting the mortgaged premises or the working of the same or any part thereof as the Mortgagee or the Receiver or Receivers could do if he or it were absolutely entitled thereto and without being responsible in any way for any loss or damage which may be occasioned thereby

(ii) If the Mortgagor acquires any land, premises, buildings, structures in addition to the mortgaged premises during the continuance of this security or it instals, fix any machinery, equipments, tools, utensils, appliances, accessories, articles and things which may at any time hereafter during the continuance of this security be affixed, installed or erected or brought in or upon the mortgaged premises or used in connection therewith and which may belong to the Mortgagor or are capable of being transferred by the Mortgagor and either in addition to or in substitution for the said Land and Buildings and the structures and machineries hereby mortgaged or any part thereof shall form part of the mortgaged premises and after acquisition, obtaining, getting such properties, machineries, etc., the Mortgagor shall execute in favour of the Mortgagee such mortgage, pledge, charge, hypothecation or other instruments as may be required by the Mortgagee granting, conveying, assigning and assuring the same to the Mortgagee upon the same and conditions as are herein contained and for the purposes aforesaid, the Mortgagor shall do or cause to be done at its own costs all such acts, deeds and things as may be required by the Mortgagee

(iii) The Mortgagee shall also have the following rights, until the mortgaged debt or part thereof is fully paid:

(a)To appoint and remove a Director or Directors on the Board of Directors of the Mortgagor from time to time to protect its interests Mortgagee shall not be liable to retire by rotation and will not require to hold any qualification shares, prescribed by the Articles of Association of the Mortgagor subject, however, that the Director or Directors appointed by the

(b) To appoint an auditor for supervising the accounts of the Mortgagor and for ensuring that the monies advanced by the Mortgagee to the Mortgagor are put to the best use of the Mortgagor and used for the purposes approved by the Mortgagee. The Mortgagor shall be liable to pay the remuneration to the auditor appointed by the Mortgagee

(iv) If during the continuance of the security under these presents, the mortgaged premises or any part thereof shall be taken up by Government and/or by any public authority for a public purpose under Land Acquisition Act or under any other law, the Mortgagee shall be entitled to receive the whole of the compensation which the Mortgagor shall be entitled or be declared entitled to and to apply the same or a sufficient portion thereof towards repayment of the said principal sum and interest and all costs of all proceedings relating to the proceedings of land acquisition of the mortgaged premises or any part thereof shall be borne by the Mortgagor.

(7) The Mortgagor doth hereby irrevocably appoint the Mortgagee and the Receiver or Receivers to be appointed under these presents to be its attorney or attorneys and in the name and on behalf of the Mortgagor to execute for all or any of the purposes aforesaid and do all such acts, matters, deeds and things which the Mortgagor ought to do and execute under the covenants contained in these presents and generally to act in the name of the Mortgagor in the exercise of all or any of the powers by these presents conferred on the Mortgagee or any Receiver or Receivers appointed by it.

(8) Any notice required to be served on the Mortgagor for the purposes of these presents be deemed to be sufficiently served if it is sent by registered post acknowledgement due or personally delivered to any of the principal officer of the Mortgagor

(9) The stamp duty, registration charges and all the costs, charges and expenses incidental to or in connection with these presents or for the protection and security of the mortgaged premises and for the demand realisation and recovery of the principal sum, interest and other moneys payable by the Mortgagor to the Mortgagee shall be borne by the Mortgagor and shall be paid by him on demand with interest thereon at the rate aforesaid, from the time the same have been incurred by the Mortgagee upto the time of its repayment. Such costs, charges, expenses and interest thereon shall be a charge upon the mortgaged premises.

(10) The marginal notes hereto are for the purpose of reference only and shall not in any way control or affect the interpretation of these presents.

(11) This Agreement shall be executed in duplicate. The original shall be retained by the Mortgagee and the duplicate by the Mortgagor

The First Schedule above referred to

The Second Schedule above referred to

Annexure

Plan

In witness whereof the parties hereto have executed these presents the day and year first hereinabove written.

WITNESSES

1 The common seal of X Y Z Co. Ltd., the withinnamed Mortgagor was hereunto affixed pursuant to a resolution of the Board of Directors of the said

Company in that behalf on the ……..day of.............. 20………

2 The common seal of Bank the withinnamed Mortgagee, was hereunto affixed pursuant to a resolution of the Board of Directors of the said Company in that behalf on the ............ day of……………20……….