**Memorandum of Entry Recording Creation of Equitable Mortgage**

**MEMORANDUM OF ENTRY RECORDING** that
Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ the Director of **M/s. ABC LIMITED**, a Company having its registered office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as the **“Borrower”**) attended the office of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as “**the Bank”**) situate at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on the \_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 200\_\_ **and delivered to and deposited with** Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ an authorized Officer of the **Bank** the documents of title relating to the immovable property of the Borrower more particularly described in the **First Schedule** hereunder written and which said documents of title are more particularly described in the **Second Schedule** hereunder written, intending to make the said deposit as security for the payment and discharge of all indebtedness and liabilities of the Borrower to the Bank under the loan documents dated \_\_\_ \_\_\_\_\_ 200\_\_ .

When making the said deposit, the said Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ on behalf of the Borrower declared, admitted and confirmed to the Bank as under:-

(a) The Borrower is the Owner of and well and sufficiently seized and possessed of the immovable property described in the First Schedule hereunder (hereinafter referred to as **“the said immovable property”**).

(b) In terms of the said loan documents, the Bank has allowed the Borrower various credit facilities by granting all or some or any of the credit facilities by way of Overdraft, Demand Loans, Loans, Cash Credits, Term Loans, pre-shipment and post-shipment credits, opening of letters of credit, issuing of guarantees, Negotiation and discounting of bills and cheques, inland as well as foreign and such other facilities as from time to time required by the said Borrower for amounts not exceeding the principal sum of Rs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_/- (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ only) on the terms and conditions specified therein.

(c) One of the conditions of the grant of the aforesaid credit facilities is that the repayment of the said principal sum of
Rs. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_/- (Rupees \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_only) and all accruing interest, discount, commission, charges and all kind of costs and expenses payable to or incurred by the Bank in relation thereto along with all other further dues, cost, expenses etc. shall stand secured by creation of equitable mortgage of the said immovable property in favour of the Bank.

(d) By its Board Resolution passed at its meeting held on \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_200\_\_\_\_, the Board of Directors of the Borrower, Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, the Director of the Borrower company is authorised to create the said security by way of equitable mortgage of the said immovable property and to deposit the said title deeds with the Bank.

(e) The Borrower has accordingly with intent to carry out their said obligation and to creating the said security of the said immovable property described in the First Schedule hereunder written deposited with the Bank the said title deeds more particularly described in the Second Schedule hereunder written with the intention that the said property would remain as security for such repayment.

(f) That the said deposit of the title deeds by the said
Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ was made on behalf of the Borrower **with intent to create a mortgage by deposit of title deeds of the said premises in favour of the Bank as security to secure** repayment of all monies including interest, costs, charges and expenses due or becoming due and payable by the Borrower to the Bank under or in respect of all or some or any of the facilities either in Indian or foreign currencies granted and/or agreed to be granted to the Borrower and for any other indebtedness and liabilities, past, present and future of the Borrower to the Bank.

(g) That the documents of title now deposited with the Bank were the only documents of title in possession of the Borrower in respect of the said premises of the Borrower and that the Borrower is the absolute owner of the said property and that the Borrower has marketable title thereto.

(h) That there is no mortgage, charge, lien or any other encumbrance or attachment on the said immovable property or any part thereof by any Government or local authority or by Income Tax Department and that no notice has been issued and/or served on the Borrower under the Rules 2, 16 or 51 or any other Rules of the Second Schedule to the Income Tax Act, 1961, or under any other law.

(i) and that the Borrower has not entered into any agreement for sale, transfer or alienation thereof or any part or parts thereof and that no encumbrance hereafter will be created by the Borrower except with the express prior permission in writing of the Bank so long as the Borrower continues to be indebted to or remain liable to the Bank on any account.

(j) Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on behalf of the Borrower also acknowledges that the maximum amount intended to be secured by the said mortgage created as aforesaid was for the purpose of Section 79 of the Transfer of Property Act, 1882 and for no other purpose and without affecting the Borrower’s full liability to the Bank under the said mortgage for all subsisting liabilities together with interest and all costs, charges and expenses thereof.

**THE FIRST SCHEDULE ABOVE REFERRED TO:**

(Description of the immoveable property)

**THE SECOND SCHEDULE ABOVE REFERRED TO:**

(List of Title Deeds)

IN WITNESS WHEREOF the Bank has recorded the fact of aforesaid deposit of titled deeds by these presents the day and year first hereinabove written.

SIGNED by Shri \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, )

Asst. General Manager (Credit), )

Advances Department at \_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

Branch and the authorised officer of the Bank )

for and on behalf of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Bank )

**Note**: This Memorandum records the fact of deposit of title deeds on behalf of the Mortgagee and is not a contract between the parties. **It will attract only stamp duty as applicable and will not require registration.** However, simultaneously a Declaration in writing in terms of this Memorandum should also be separately obtained from the person making deposit of title deeds.