

**DEED OF SIMPLE MORTGAGE**

**THIS DEED OF SIMPLE MORTGAGE** is executed at \_\_\_\_\_ on this the ..... day of....., 20...

**BY AND BETWEEN**

\_\_\_\_\_ a public/private company registered under the Companies Act, 1956/2013 with its Corporate Identity Number \_\_\_\_\_ and \_\_\_\_\_ having its registered office at \_\_\_\_\_ represented by Shri \_\_\_\_\_ hereinafter referred to as the “ **Mortgagor** ” (which expression shall, unless repugnant to the context or meaning thereof, means and include its successors and assigns) **OF THE FIRST PART**

**OR**

\_\_\_\_\_ a body corporate established under an Act of Parliament/State Legislature, viz., \_\_\_\_\_ Act, \_\_\_\_\_ having its Head Office at \_\_\_\_\_ and one of its Offices at \_\_\_\_\_ hereinafter referred to as the “ **Mortgagor** ”, (which expression shall, unless it be repugnant to the subject, context or meaning thereof, deemed to mean and include its successors and permitted assigns from time to time, as the context may require or admit) **OF THE FIRST PART.**

**OR**

\_\_\_\_\_ a Co-operative Society registered under the \_\_\_\_\_ Co-operative Societies Act, \_\_\_\_\_ and having its Registered Office at \_\_\_\_\_ represented by Shri \_\_\_\_\_, hereinafter referred to as the “**Mortgagor**” (which expression shall, unless repugnant to the context or meaning thereof, means and include its Successors and Assigns) **OF THE FIRST PART**

**OR**

....., a Society registered under the Societies Registration Act, 1860 and having its Registered Office at ....., represented by Shri \_\_\_\_\_, hereinafter referred to as the "**Mortgagor**" (which expression shall, unless repugnant to the context or meaning thereof, means and include its Successors and Assigns) **OF THE FIRST PART**

**OR**

Smt./Kum/Sri..... \_\_\_\_\_ son / daughter / wife / of Sri. \_\_\_\_\_ at present carrying on the business at \_\_\_\_\_ as the Sole Proprietor/ix under the firm name and style of M/s. \_\_\_\_\_ (hereinafter referred to as the "**Mortgagor**" (which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its heirs, executors, administrators and assigns) **OF THE FIRST PART**

**OR**

Shri./Smt./Kum. \_\_\_\_\_(son / daughter / wife / of Sri. \_\_\_\_\_)  
Shri./Smt./Kum \_\_\_\_\_ (son / daughter / wife / of Sri. \_\_\_\_\_) and  
Shri./Smt./Kum \_\_\_\_\_(son / daughter / wife / of Sri. \_\_\_\_\_)  
at present carrying on the business at \_\_\_\_\_ under the firm name and style of M/s. \_\_\_\_\_ (hereinafter referred to as the "**Mortgagor**" which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include the partner or partners for the time being of the said firm, the survivors or survivor of them and their respective heirs, executors, administrators and assigns ) **OF THE FIRST PART**

**(Strike out whichever is not relevant)**

**AND**

National Bank for Agriculture and Rural Development a body corporate established under an Act of Parliament, viz. National Bank for Agriculture and Rural Development Act, 1981 having its Head Office at Plot No. C-24, G-Block, Bandra

Kurla Complex, Bandra (E), Mumbai – 400 051 and one of its Regional Office \_\_\_\_\_ hereinafter referred to as “**Mortgagee**”, (which expression shall, unless it be repugnant to the subject, context or meaning thereof, deemed to mean and include its successors and permitted assigns from time to time, as the context may require or admit) **OF THE SECOND PART.**

**WHEREAS**

- A) The Mortgagor is a .....<sup>1</sup>engaged in the business of..... . The Mortgagor is presently implementing a project of .....
  
- B) At the request of the Mortgagor, the Mortgagee has agreed to provide / provided the Loan for an aggregate sum not exceeding .₹ .....( Rupees .....only) for implementation of the Project, upon the terms and conditions set out in the Loan Agreement dated....., the other Financing Agreements and the Mortgagee’s letter of sanction No..... Dated..... (Copies of the sanction letter and Loan Agreement are collectively annexed hereto as **Annexure I**)
  
- C) One of the conditions of the Loan Agreement is that the Loan together with all interest, commission, costs, charges, expenses and all other monies, whatsoever stipulated in or payable by the Mortgagor under the Loan Agreement and/or the other Financing Agreements shall be secured, *inter alia*, by a mortgage/charge by the Mortgagor by way of simple mortgage of its immovable property situated at .....which is more particularly described in **Part I of First Schedule** (hereinafter collectively referred to as “**Property**”)

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<sup>1</sup> Insert the type of the borrower as appropriate

- D) The Mortgagor has represented, warranted and declared to the Mortgagee that the Mortgagor is fully and absolutely seized and possessed of the Property, free of any encumbrances and is entitled to sell and conveyance the Property to the Mortgagee without any encumbrance whatsoever and along with vacant and peaceful possession thereof; upon execution of this Deed.
- E) Pursuant to the above, the Mortgagee has called upon the Mortgagor to execute these presents which the Mortgagor has agreed to do in the manner hereinafter expressed.

**NOW IN CONSIDERATION OF THE ABOVE, THESE PRESENTS WITNESSETH THAT:**

**Definitions:**

Unless otherwise defined herein, capitalised terms used in this Deed (including as used in the recitals) shall have the meanings as ascribed to them in the Loan Agreement, as the context may require.

The following capitalized terms, wherever used in this Deed, shall have the meanings given hereunder:

“**Deed**” shall mean this deed of simple registered mortgage, together with all schedules attached to this deed of simple registered mortgage and shall include any amendment and/ or modification to this deed of simple registered mortgage made by the parties hereto after the date hereof.

“**Loan**” shall have the meaning ascribed to it in the Loan Agreement.

“**Loan Agreement**” shall mean Loan Agreement dated \_\_\_\_\_ executed between Mortgagee and the Mortgagor.

“**Mortgage Debt**” shall have the meaning ascribed to it in Section 3.

“**Mortgaged Properties**” shall have the meaning ascribed to it in Section 3.

1. a) This Deed is executed by the Mortgagor in favour of Mortgagee / for securing the due repayment of Loan of ₹. .... (Rupees ..... only) sanctioned by the Mortgagee.
- b) The Mortgagor hereby declares covenants and agrees with the Mortgagee that the Mortgagor shall be bound by all the terms, conditions, covenants and obligations contained in the Loan Agreement and other Financing Agreements executed / to be executed by mortgagor and the same shall

be read as part of this Deed. The Mortgagor shall repay to the Mortgagee the said sum of ₹. \_\_\_\_\_ and all other monies payable/ repayable in connection with the Loan, in terms of the Loan Agreement as and when due on the due dates, together with interest thereon at the rates as described in the Loan Agreement and payable at monthly/quarterly/semi annual/annual rests, until the said principal sum of ₹. \_\_\_\_\_ is repaid in full.

- c) The details and description of the properties mortgaged are mentioned in **“First Schedule”**
  - d) The payment schedule of interest of the said Loan is mentioned in **“Second Schedule”**
  - e) The repayment schedule of the Loan is mentioned in **“Third Schedule”**
  - f) The project cost and means of finance are mentioned in **“Fourth Schedule”**.
  - g) The above schedules may be read as part and parcel of this Deed.
2. The Mortgagor hereby agrees that the Mortgagor shall repay to the Mortgagee the aforesaid principal amount of the Loan, all the outstanding dues with interest, costs, charges and expenses thereon as per terms and conditions agreed by and between the Mortgagor and the Mortgagee in respect of the Loan and any other sum or sums together with interest thereon and charges, expenses, etc., which will be due and payable by the Mortgagor, to the Mortgagee under the Loan made available to the Mortgagor, by the Mortgagee.
3. For the considerations aforesaid and as a security for the payment of the dues to said Mortgagee in respect of the said Loan or any part thereof according to the terms and conditions hereof, the Mortgagor do and doth hereby charge, mortgage and transfer to the said Mortgagee the Property described in the First Schedule Part I and II hereunder together with all the liberties, privileges, easements, common amenities, advantages and appurtenances, hereditaments or premises or any part thereof whatsoever with the said property and all the rights, title, interest, claim and demand whatsoever of the Mortgagor in or upon the Property (which Property for the sake of brevity are hereinafter referred to as the **“Mortgaged Properties”**) unto and in favour of

the Mortgagee to the intent that the mortgaged properties shall remain and be charged by way of simple mortgage in favour of the Mortgagee for the purpose of recovery of the sums due under the said Loan to the limit of - ₹. .... ( Rupees ..... only) or any part thereof and all the interest, compound interest, additional interest thereon, cost, charges and expenses and any other sum/sums hereby secured and become due and payable by the Mortgagor to the Mortgagee (all those balances/sums together with interest, costs, charges and expenses thereon due and payable as aforesaid are hereinafter for the sake of brevity referred to as the **“MORTGAGE DEBT”**).

4. The Mortgagor shall pay to the Mortgagee, the interest on the balances outstanding in the accounts in respect of the said Loan at such rate/rates as may be determined by the Mortgagee, from time to time.
5. That, in the event of default on the part of the Mortgagor in payment of installment of principal or interest or any part thereof or breach of any of the terms, conditions and covenants contained in the Loan agreement and other Financing Documents executed by the Mortgagor in favour of the said Mortgagee in addition to these presents and also breach of any of the covenants contained herein, the said Mortgagee shall have option to demand payment of entire outstanding dues in respect of the said Loan from the Mortgagor.
6. That, in case the Mortgagor fails to repay the said mortgage debt or part thereof payable by the Mortgagor, on the due date/s appointed for payment of the same respectively and/or in performance or observance of any of the covenants, conditions or provisions herein contained, it shall be lawful for the said Mortgagee at any time thereafter to enforce the security hereunder created for recovery of the Mortgage Debt and/or for sale of Mortgaged Properties under the provisions of any law for the time being in force applicable to the transaction and shall also be entitled to charge and recover costs of suit/s as well as all other costs and expenses incurred for preservation and securing and enforcing the said Mortgaged Properties as Mortgage Debt. The Mortgagor further declare and confirm that though the

said Mortgagee is having right and charge on the Mortgaged Properties the Mortgagor shall not question or have any claim whatsoever against the said Mortgagee in relation to any act or thing done, omitted, permitted or suffered by the said Mortgagee nor shall any of the said acts of omission or commission affect in any manner, the rights of the Mortgagee under this deed for recovery of the amounts due and payable by the Mortgagor to the said Mortgagee.

7. The Mortgagor hereby covenants as follows:
  - a) That the Mortgaged Properties are the absolute properties of the Mortgagor and the Mortgagor has good title, right and full powers to grant, assign and transfer the Mortgaged Properties at their sole discretion unto the said Mortgagee and the Mortgaged Properties are free from encumbrances and/or prior charges or mortgages.
  - b) That the Mortgagor shall, from time to time, and at all times during the continuance of this security and so long as any money shall remain due and owing under the said Loan, at its own costs and expenses, maintain and keep the Property hereby mortgaged in good and saleable condition and substantial state or repairs and working order. The Mortgagor further undertakes to keep at all times the Mortgaged Properties insured in favour of the Mortgagee.
  - c) The Mortgagor shall pay all government revenue, municipal taxes, ground rents, rates, rents, taxes, assessments, dues and duties and any charges including arrears if any payable in respect of the Mortgaged Properties immediately as and when the same shall become due.
  - d) The Mortgagor shall not create any encumbrance charge on the said Mortgaged Properties without the prior written permission of the said Mortgagee.
  - e) That, the Mortgagor will permit the Mortgagee or any person authorized by it any time and from time to time during the hours of business, so long as any moneys shall remain due or owing hereunder, to inspect and examine any part of the Mortgaged Properties and render them such assistance as may be

required for any of the purposes aforesaid and will furnish to the said Mortgagee or to such person or persons as it shall from time to time appoint for the purpose all such information relating to the Mortgaged Properties or any part thereof as the said Mortgagee or such person or persons shall require.

- f) That the Mortgagor shall indemnify the said Mortgagee for the breach of any of the above covenants in case the said Mortgagee suffers any loss or damage on account of such breach.
- (g) Neither the execution and delivery by the Mortgagor of this Deed, nor the Mortgagor's compliance with or performance of the terms and provisions hereof will contravene any provision of applicable law or will violate any provision of its memorandum of association and articles of association or any agreement or other document by which the Mortgagor (or any of its properties) may be bound;
- (h) The Mortgagor is not a party to any litigation in relation to the Mortgaged Properties nor any material claim is made against it and that the Mortgagor is not aware of any facts likely to give rise to such litigation or to material claims against the Mortgagor in relation to the Mortgaged Properties;
- (i) The Mortgagor has disclosed to the Mortgagee all material facts relating to the Mortgaged Properties;
- (j) The Mortgagor has complied with all legal requirements and has obtained all consents and approvals required for creation of the security expressed to be created under Section 3 above in favour of the Mortgagee for securing the Mortgage Debt.
- (k) All the representations made and warranties given by the Mortgagor under the Loan Agreement, unless repugnant to the context hereof, shall be deemed to have been made and given by the Mortgagor as if specifically incorporated herein.
- (l) The Mortgagor further covenants that this mortgage is intended to and shall be a continuing security for all the loans or credit facilities and indebtedness and liabilities of the Mortgagors, to the said Mortgagee at all the times during



the subsistence to these presents and the security created under this Deed shall not be extinguished or exhausted until all the dues of the said Mortgagee are completely settled or repaid by the Mortgagor.

- (m) This security is in addition to, and shall neither be merged in, nor in any way excluded or prejudiced, or be affected by any other security interest, right of recourse or other right whatsoever (or the invalidity thereof) which the Mortgagee may now or at any time hereafter hold or have (or would apart from this security hold or have) as regards the Mortgagor or any other person in respect of the Mortgage Debt.
  - (n) The powers which this Deed confer on the Mortgagee are cumulative, without prejudice to its powers under the general law and other Financing Agreements and the Loan Agreement, and may be exercised as often as the Mortgagee thinks appropriate in accordance with this Deed. The Mortgagee may, in connection with the exercise of its powers, join or concur with any person in any transaction, scheme or arrangement whatsoever; and the Mortgagor acknowledges that the respective powers of the Mortgagee shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing.
  - (o) If any amount paid by the Mortgagor in respect of the Mortgage Debt is avoided or set aside on the liquidation or administration of the Mortgagor or otherwise, then for the purpose of this Deed such amount shall not be considered to have been paid.
  - (p) For the consideration aforesaid, the Mortgagor doth hereby irrevocably grant full and free rights and liberty to enter, re-enter and have unfettered access at all times, for the purposes permitted under the Loan Agreement, to the Mortgagee and its successors-in-title and assigns over the vacant lands, hereditaments and the Mortgaged Properties or any part thereof mortgaged and charged by this Deed in common with all other persons entitled to like rights at all times thereafter.
8. No change whatsoever in the constitution of the Mortgagor or the said Mortgagee shall affect or discharge the liability of the Mortgagor to the said hereunder.

9. The Mortgagor shall observe and perform each of the covenants set forth in the Loan Agreement which covenants are hereby incorporated herein by reference and made a part of this Deed as if such covenants and other relevant provisions were set forth in full herein.
10. **In addition to the covenants set forth in Section 7 above, the Mortgagor doth hereby further covenant that:-**
  - (a) Upon occurrence of an Event of Default, it shall be lawful for the Mortgagee to exercise the rights as may be available to them as mortgagees under this Deed. Provided that upon occurrence of an Event of Default, it shall also be lawful for the Mortgagee to sell the Mortgaged Properties through any competent court. Notwithstanding the above, upon occurrence of an Event of Default, it shall be lawful for the Mortgagee to exercise the rights under the Applicable Law.
  - (b) The Mortgagee being lawfully or equitably claiming or being entitled to claim any estate, right, title or further assurances, interest in, to or upon the Mortgaged Properties and any future assets comprised in this Deed or any of them or any parts thereof respectively shall and will, from time to time, and at all times, at the cost of the Mortgagor or the other person (as appropriate), execute, make and do or cause and procure to be executed, made and done every such assurance, act and thing for further and more perfectly assuring all or any of the Mortgaged Properties and any future assets comprised in this Deed unto and to the use of the Mortgagee on the terms of this Deed as shall be reasonably required.
  - (c) Except as otherwise expressly provided in this Deed or the Financing Agreements, the Mortgagor shall not, without the prior written consent of the Mortgagee, transfer, sell, lease or otherwise dispose of the Mortgaged Properties or remove or permit to be removed any plant, machinery, equipment or any other asset forming part of the Mortgaged Properties hereby assigned from the land, buildings, or structures where they are installed and, in case of such removal, shall replace the same by plant, machinery, equipment or other assets of equivalent nature or value, provided that any such machinery or equipment may be removed for the performance of

necessary repairs and/ or maintenance without replacement thereof and the same shall in such case be permitted without constituting a breach hereof, and provided further that in the event that any such part of the plant, machinery, equipment or other assets so removed as aforesaid is redundant or has become worn out or obsolete, the same may be sold or otherwise disposed of and the sale proceeds, if any, to be credited and applied in accordance with the provisions of this Deed.

## 11. **Undertakings**

The Mortgagor undertakes and agrees that throughout the continuance of this Deed and so long as the Mortgage Debt or any part thereof remains owing, the Mortgagor shall, unless the Mortgagee otherwise agrees:

- (a) lodge this Deed duly executed for registration with the appropriate Sub Registrar of Assurances and to register the charge with the Registrar of Companies.
- (b) if any penalty or legal costs or any other charges are paid for the stamping and registration of this Deed or any supplement or addition thereto or any other additional security documents by the Mortgagee, pay to the Mortgagee (as the case may be) the amount thereof with Additional Interest as defined under the Loan Agreement.
- (c) deliver to the Mortgagee originals of the receipts evidencing payment of stamp duty and other charges in connection with the stamping and registration of this Deed.

## 12. **Enforcement**

### 12.1 **Enforceability of Security**

The Security created hereunder in favour of the Mortgagee shall become enforceable by the Mortgagee upon happening of an Event of Default.

### 12.2 **General Enforcement Powers**

At any time after the security interest shall have become enforceable pursuant to the terms of the Loan Agreement or by the terms of this Deed, the

Mortgagee may, without prejudice to any other rights it may have and without prior notice to the Mortgagor:

- (a) declare all or part of the Mortgage Debt to be immediately due and payable (or on such dates as it may specify), whereupon they shall become so due and payable;
- (b) sell, call in, collect, convert into money or otherwise deal with or dispose of the Mortgaged Properties or any part thereof on an instalment basis or otherwise and generally in such manner as provided under the law and upon such terms whatever as the Mortgagee may consider fit;
- (c) exercise any and all powers as provided under the Securitization Act, wherever applicable, as the context may require or permit;
- (d) appoint by writing any person or persons to be an authorised officer to manage and take possession of all or any part of the Mortgaged Properties;
- (e) operate the accounts and appropriate all monies lying therein; and
- (f) take all such other action expressly or impliedly permitted under this Deed and/ or in law.

13. Any demand or notice to be made or given to the Mortgagor by the said Mortgagee may be made or given by leaving the same at or posting the same by post in an envelope under certificate of posting addressed to the Mortgagor at their place of business, residence or office or affixed on the Mortgaged Properties and every such demand or notice shall be deemed to be received as the case be at the time at which it is left or at the time at which it should have been delivered in the ordinary course of post.

1. Address of the Mortgagor

.....  
.....  
.....

2. Address of the Mortgagee

**NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT  
(NABARD)**

Head Office: C-24, G Block,  
Bandra Kurla Complex,  
Bandra East, Mumbai 400 051

Regional Office:.....

14. The present Deed is being executed for offering as security for the said Loan, for which stamp duty is ₹..... Therefore, this Deed has been inscribed on a stamp of ₹..... (Rupees..... only) being the maximum amount of stamp duty payable, as per Article ..... of the Indian/..... (respective state) Stamp Act and the same has been paid by the Mortgagor.

15. **Severability**

Every provision contained in this Deed shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way affected or impaired thereby.

16. **Inconsistency**

If there is any inconsistency between (i) rights and obligations of the Mortgagor in relation to the Mortgagee under this Deed; and (ii) rights and obligations of the Mortgagor in relation to the Mortgagee under Loan Agreement, the provisions of this Deed shall be deemed modified so that the rights and obligations of the Mortgagor under this Deed are consistent with the rights and obligation of the Mortgagor under the Loan Agreement.

17. **Amendment**

The Mortgagor may amend or supplement the terms of this Deed only by agreement in writing signed by them.

18. **Other Remedies:**

The rights and remedies conferred upon the Mortgagee under this Deed:

(a) shall not prejudice any other rights or remedies to which the Mortgagee may, independently of this Deed, be entitled; and

(b) shall not be prejudiced by any other rights or remedies to which the Mortgagee may, independently of this Deed, be entitled, or any collateral or other security (including, without limitation, guarantees) now or hereafter held by the Mortgagee.

**19. Governing Law and Jurisdiction**

This Deed shall be governed by and construed in accordance with Indian laws. The Mortgagor agree that any legal action or proceedings arising out of this Deed may be brought in the Courts or Tribunals in \_\_\_\_\_ (State capital) as deemed fit and the Mortgagor irrevocably submits themselves to the jurisdiction of such courts or tribunals. The Mortgagee may, however, in its absolute discretion commence any legal action or proceedings arising out of this Deed in any court, tribunal or other appropriate forum and the Mortgagor hereby consents to such jurisdiction.

**FIRST SCHEDULE**

(in terms of clause 1(c))

**DESCRIPTION OF PROPERTIES MORTGAGED**

All those pieces or parcels of lands, as detailed below, situated at Village .....,  
Taluka....., District \_\_\_\_\_ of \_\_\_\_\_ State:

That the aforesaid properties owned by the MORTGAGOR, with ..... buildings

**SECOND SCHEDULE**

(in terms of clause 1(d))

Interest payment schedule

**THIRD SCHEDULE**

(in terms of clause 1(e))

Principle repayment schedule

**FOURTH SCHEDULE**

(in terms of clause 1(f))

Project cost and means of finance

**IN WITNESS WHEREOF** the Mortgagor have caused its Common Seal to be affixed hereto on the day first hereinabove written and Mortgagor and the Mortgagee have caused the same to be executed by the hand of their respective authorised officials.

Signed and delivered for and on behalf of  
MORTGAGOR .....

In the presence of

1.

**Name:**

**Address:**

2.

**Name:**

**Address:**

Signed and delivered for and on behalf of  
MORTGAGEE .....

In the presence of

1.

**Name:**

**Address:**

2.

**Name:**

**Address:**