

SIMPLE MORTGAGE BY MANAGER OF JOINT HINDU FAMILY FOR LEGAL

NECESSITY

THIS MORTGAGE is made at on the day of 19 between X etc., Y etc., Z etc. and A etc. acting through X, the manager of joint Hindu family, hereinafter called the mortgagors, of the ONE PART and B, son of resident of hereinafter called the mortgagee of the other part.

WHEREAS the said X, Y, Z and A form a joint Hindu family governed by the Mitakshara school of Hindu law and A is the manager or karta of the said joint Hindu family.

AND WHEREAS X, Y and Z are the major sons of A;

AND WHEREAS the property bearing No. situated at, within the Registration District and Sub Registrar of hereinafter called the said property, is owned by the said joint Hindu family;

AND WHEREAS the joint Hindu family carries on the business of at under the name and style of M/s.

AND WHEREAS the mortgagors are in need of Rs. for purposes of their business, marriage of daughter of Shri X, and repairing of the joint Hindu family properties, which they are not able to arrange and therefore the mortgagors requested the mortgagee to lend Rs. for the aforesaid purposes;

AND WHEREAS the mortgagee after satisfying about the title of the said property and bona fide requirement of the loan amount for a legal necessity, has agreed to lend the said sum at the interest of per cent per annum on the mortgagors securing the repayment of the same by mortgage of the said property.

NOW THIS DEED WITNESSETH that in pursuance of the said agreement and in consideration of the sum of Rs. at or before the execution of these presents paid to the mortgagors by the mortgagee (the receipt whereof the mortgagors do hereby admit and acknowledge), hereinafter called the mortgage amount, the mortgagors covenant with the mortgagee that they will pay to the mortgagee on the day of (hereinafter called the due date) the said sum of Rs. with interest for the same in the meantime at the rate of % per annum from the date of these presents by quarterly payments, first of such payments shall be made on the day now and the subsequent payment shall be made at the expiration of three months thereafter, so long as the said sum of Rs. or any part thereof shall remain unpaid to the mortgagee, interest for the same at the rate mentioned above.

And the mortgagors further covenant with the mortgagee that if any installment of interest is not paid on the due date, the mortgagors will be liable to pay interest on the said installment in default at the same rate as aforesaid from the date of default until payment of such installment as and by way of compound interest provided that the payment of compound interest will not prejudice or affect the mortgagee's rights or remedies vested in him by law or by this deed. And it is also agreed that in the event of the mortgagors committing default in payment of any four installments of interest or in payment of the principal and interest on the due date or committing breach of any other term of these presents, the whole amount of principal then due with interest thereon, will

at the option of the mortgagee become payable forthwith as if the said due date has expired.

AND THIS DEED FURTHER WITNESSETH that in consideration aforesaid, the mortgagors hereby transfer by way of simple mortgage to the mortgagee the said property described in the Schedule hereunder written belonging to the mortgagors with the intent that the said property shall remain and to be charged as security for the payment to the mortgagee of the said mortgage money, interest and costs payable under these presents.

2. The mortgagors hereby covenant with the mortgagee as follows:

- (i) That the mortgagors are absolutely seized and possessed of or otherwise well and sufficiently entitled to the said property and the said property is free from encumbrances.
- (ii) That during the pendency hereby created and until repayment of mortgage amount, the mortgagors will get insured and keep insured the said property against loss and damages due to fire and other accident for a sum of Rs. with Insurance Co. Ltd., Bombay in the joint names of mortgagors and mortgagee and shall hand over the insurance policy to the mortgagee.
- (iii) That in the event of the mortgagors failing to pay the said mortgage amount, interest and cost when the same shall become due and payable under these presents, the mortgagee will be entitled to have the said property sold through the court having jurisdiction and to realise and receive the said mortgage amount, interest and cost out of the net sale proceeds of the said property.

3. Provided always that it is hereby agreed between the parties that if the mortgagors pay to the mortgagee the sum of Rs. with interest on the due date, then the mortgagee shall upon the request and at the costs, expenses and charges of the mortgagors, reconvey the said property hereby granted or expressed so to be unto and to the use of the mortgagors or as they direct.

4. It is hereby declared that for the purposes of these presents, the expressions "mortgagors" and "mortgagee" shall include their or his legal heirs, administrators, executors or assigns.

IN WITNESS WHEREOF the parties hereto have hereunto put their signatures, the day and year first above written.

The Schedule above referred to

Signed and delivered by X, Y, Z and
A, the within named mortgagors

Signed and delivered by B,
the within named mortgagee

WITNESSES

1 .

2 .