

To be typed on Stamp Paper Worth Rs.100/-

**MORTGAGE DEED TO BE EXECUTED WHEN THE PROPERTY IS
FREE HOLD**

This indenture made this _____ day of _____ Two thousand and _____ between _____ son of _____ at present employed as _____ in the office of _____ at _____ (hereinafter called "THE MORTGAGOR" which expression shall unless excluded by or repugnant to the subject or context, include his / her heirs, administrators and assigns) of the ONE PART AND Managing Director, IRCON, NEW DELHI (hereinafter called "THE MORTGAGEE" which expression shall unless excluded by or repugnant to the subject or context include his successors in office and assigns) of the OTHER PART.

WHEREAS the MORTGAGOR is the absolute and sole beneficial owner and is seized and possessed of or otherwise well and sufficiently entitled to the land and / or house hereditaments and premises hereinafter described in the Schedule hereunder written and for greater clearness delineated on the plan annexed hereto and thereon shown with the boundaries thereof coloured _____ and expressed to be hereby conveyed, transferred and assured (hereinafter referred to as "the said Mortgaged Property").

AND WHEREAS THE MORTGAGOR applied to the MORTGAGEE for an advance of Rs. _____ (Rupees _____ only) for the purpose of enabling the MORTGAGOR.

* 1. to purchase land and *to construct a house thereon or *(to enlarge living accommodation in the existing house on the said hereditaments).

*2. to construct a house on the said hereditaments, or *(to enlarge living accommodation in the house on the said hereditaments).

*3. to purchase a ready built aforesaid house or *to repay a loan taken by the MORTGAGOR for constructing or purchasing the aforesaid house,

*Mention whatever is applicable

AND WHEREAS the MORTGAGEE agreed to advance to the MORTGAGOR the said sum of Rs _____ on certain terms and conditions.

AND WHEREAS one of the conditions for the aforesaid advance is that the MORTGAGOR should secure the repayment of the said advance and due observance of all the terms and conditions contained in the IRCON "Rules for grant of advance for building / purchase of houses (hereinafter referred to as the "said Rules" which expression shall, where the context so admits include any amendment thereof or addition thereto for the time being in force) by a Mortgage of the property described in the schedule hereunder written.

AND WHEREAS THE MORTGAGEE

*1. has sanctioned to the Mortgagor an advance of Rs. _____ (Rupees _____ only) payable by such instalments and in the manner as hereinafter appearing.

*2. has paid to the Mortgagor an advance of Rs. _____ (Rupees _____ only) on _____ and in the manner provided in the said Rules having the repayment of the loan with interest and the observance of all the terms and conditions contained in the said Rules as hereinafter mentioned secured in the manner hereinafter appearing.

AND WHEREAS THE Mortgagor is to receive from the Mortgagee an aforesaid advance in the following instalments:-

*Rs. _____ already received on _____ *Rs. _____ on the execution of this indenture by the Mortgagor in favour of the Mortgagee.

*Rs. _____ when the construction of the house reaches plinth level.

*Rs. _____ when the construction of the house reaches roof level, provided the Mortgagee is satisfied that the development of the area in which the house is built is completed in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.

*Mention whatever is applicable.

NOTE:-

The language will be modified if the mode of payment of advance is different from what is prescribed in the Rules.

NOW THIS INDENTURE WITNESSETH as follows:-

- (i) In pursuance of the said Rules and in consideration of the said advance sanctioned / paid by the Mortgagee to the Mortgagor pursuant to the provisions contained in the said Rules the Mortgagor doth hereby covenant with the Mortgagee that the Mortgagor shall always duly observe and perform all the terms and conditions of the said Rules and shall repay to the Mortgagee the said advance of Rs. _____ (Rupees _____ only) by _____ monthly instalments commencing from the pay of the Mortgagor of the month of _____ Two thousand and _____ and the Mortgagor hereby authorises the Mortgagee to make deduction from his monthly pay / leave salary of the amount of such instalments and the MORTGAGOR shall after paying the full amount of the advance also pay interest due thereon in _____ monthly instalments in the manner and on the terms specified in the said Rules, provided that the Mortgagor shall repay the entire advance with interest in full before the date on which he / she is due to retire from service, failing which to recover the balance of the advance then due together with interest and costs of recovery by sale of the mortgaged property or in such other manner as may be permissible under the law. It will however, be open to the Mortgagor to repay the amount in a shorter period.
- (ii) If the Mortgagor shall utilise the advance for a purpose other than that for which the advance is sanctioned, or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement, superannuation - or if he / she dies before payment of the advance in full, or if the Mortgagor shall fail to observe or perform any of the terms, conditions and stipulations specified in the said Rules and on his / her part to be observed and performed then and in any such cases the whole of the principal amount of the advance or so much thereof as shall then remain due *and* unpaid shall become payable forthwith to the Mortgagee with interest thereon at * _____ per annum calculated from the date of the payment by the Mortgagor of the first instalment of the said advance.

* Normal rate of interest to be charged under the said Rules.

- iii) In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest as shall at any time or times hereinafter be due to the Mortgagee under the terms of these presents the Mortgagor doth hereby grant, convey, transfer, assign, and assure upto the Mortgagee all AND SINGULAR the said Mortgaged property fully described in the Schedule hereunder written together with buildings erected or to be erected by the Mortgagor on the said Mortgaged property or materials for the time being thereon with all rights, easements and appurtenances to the said Mortgaged property on any of them belonging TO HOLD the said Mortgaged property or materials for the time being thereon upto and to the use of the Mortgagee absolutely for ever, free from all encumbrances SUBJECT NEVERTHELESS to the proviso for

redemption hereinafter contained PROVIDED ALWAYS AND it is hereby, agreed and declared by and between the parties hereto that if the Mortgagor shall duly pay to the Mortgagee the said principal sum and interest hereby secured in the manner herein provided and also the other moneys (if any) determined to be payable by the Mortgagor to the Mortgagee under the terms and conditions of the said Rules, then the Mortgagee will at any time thereafter upon the request and at the cost of the Mortgagor recover, Retransfer and reassure the said Mortgaged property into and to the use of the Mortgagor or as he may direct.

- iv) AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that if there shall be any breach by the Mortgagor of the covenants on his / her part herein contained or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement / superannuation or if he / she dies before all the dues payable to the Mortgagee under, these presents together with interest thereon shall have been fully paid off or if the said advance or any part thereof becomes payable forthwith under these presents or otherwise then and in any of such cases it shall be lawful for the Mortgagee to sell the said Mortgaged property or any part thereof either together or in parcels and either by public auction or by private contract with power to buy in or rescind any contract for sale and to resell without being responsible for any loss which may be occasioned thereby and to do and execute and such acts and assurances for effectuating any such sale as the Mortgagee shall think fit AND IT IS HEREBY declared that the receipt of the Mortgagee for the purchase money of the premises sold or any part thereof shall effectually discharge the purchaser or purchasers there from AND IT IS HEREBY declared that the Mortgagee shall hold the moneys to arise from any sale in pursuance of the aforesaid power upon TRUST in the first place there out to pay all the expenses incurred on such sale and then to pay moneys in or towards the satisfaction of the moneys for the time being owing on the Security of these presents and the balance if any to be paid to Mortgagor.
- v) The Mortgagor hereby covenants with the Mortgagee as follows:-
- (a) That the Mortgagor now has in himself / herself good right and lawful authority to grant, convey, transfer, assign and assure the mortgaged property unto and to the use of the Mortgagee in manner aforesaid.
 - (b) That the Mortgagor shall carry out the construction of the house / additions to living accommodation in the aforesaid house exactly in accordance with the approved plan and specifications on the basis of which the above advance has been computed and sanctioned unless a departure there from is permitted by the Mortgagee. The Mortgagor shall certify, when applying for instalments of advance admissible at the plinth / roof level, that the construction is being carried out in accordance with the plan and estimates furnished by him / her to the Mortgagee, that the construction has reached plinth / roof level and that the amount

already drawn out of the sanctioned advance has actually been used on the construction of the house. He / she will allow the Mortgagee to carry out either by himself or through his representative an inspection to verify the correctness of the aforesaid certificates. If a false certificate is furnished by the Mortgagor he / she will be liable to pay to the Mortgagee forthwith the entire advance received by him / her and further will also be liable to such disciplinary action as may be permissible under rules of service as applicable to the Mortgagor.

- (c) That the Mortgagor shall complete the construction of the house / additions to living accommodation in the aforesaid house within eighteen months of * _____ unless an extension of time is allowed in writing by the Mortgagee. In case of default the Mortgagor shall be liable to repay forthwith the entire amount advanced to him together with interest calculated under the said rules, in one lump sum. The Mortgagor shall report to the Mortgagee the date of completion of the house and furnish a certificate to the Mortgagee that the full amount of the advance has been utilised for the purpose for which it was sanctioned.

* Here mention the date on which the first instalment of the advance is paid to the mortgagor.

NOTE:-

Clause (b) and (c) are not applicable when the advance is for the purchase of ready house or for repayment of loan taken by applicant for construction or purchase of a house.

- (d) That the Mortgagor shall immediately insure the house at his own cost, with the Indian Insurance Companies Association Pool, Bombay, for a sum not less or damage by fire, flood and lightning as provided in the said Rules till the advance is fully repaid to the Mortgagee and deposit the policy of insurance with the Mortgagee. The Mortgagor shall pay regularly the premium in respect of the said insurance from time to time and will when required produce to the Mortgagee the premium receipts for inspection. In the event of failure on the part of the Mortgagor to effect the insurance against fire, flood and lightning, it shall be lawful but not obligatory for the Mortgagee to insure the said house at the cost of the Mortgagor and add the amount of the premium to the outstanding amount of the advance and the Mortgagor shall thereupon be liable to pay interest thereon as if the amount of the premium had been advanced to him as part of the aforesaid advance at _____ till the amount is repaid to the Mortgagee OR is recovered as if it were an amount covered by the security of these presents. The Mortgagor, shall give a letter to the Mortgagee as often as required, addressed to the Insurance, with which the house is insured with a view to enable the Mortgagee to notify to the Insurer the fact that the Mortgagee is interested in the Insurance Policy secured.

- (e) That the Mortgagor shall maintain the aforesaid house in good repair at his own cost and shall pay all the Municipal and other local rates, taxes and all other outgoings in respect of the mortgaged property regularly until the advance has been repaid to the Mortgagee in full. The Mortgagor shall also furnish to the Mortgagee an annual certificate to the above effect.
- (f) The Mortgagor shall afford full facility to the Mortgagee for carrying out inspections after completion of the house to ensure that it is maintained in good repair until the advance has been repaid in full.
- (g) The Mortgagor shall refund to the Mortgagee any amount together with interest, if any, due thereon drawn on account of the advance in excess of the expenditure incurred, for which the advance was sanctioned.
- (h) That the Mortgagor shall not during the continuance of these presents charge, encumber, alien or otherwise dispose of the Mortgaged property.

SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF the Mortgagor has hereunto set his hand and the MD / IRCON has caused Shri _____ in the office of _____ for and on his behalf to set his hand hereunto the day and year first above written.

Signed by the said (Mortgagor) _____

In the presence of :

1st witness Signatures _____
Occupation & Address _____

2nd witness Signatures _____
Occupation & Address _____

Signed by Shri _____
for and on behalf of the Managing Director / IRCON.

In the presence of :

1st witness Signatures _____
Occupation & Address _____

2nd witness Signatures _____
Occupation & Address _____