

FORM OF MORTGAGE BOND FOR MOTOR VEHICLE ADVANCE

PARA 1536 G.1 - FROM G.1536(1)

This INDENTURE made this _____ day of _____ between (hereinafter called "the Borrower" which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the President of India (hereinafter called "the President" which expression shall include his successors and assignees) of the other part. WHEREAS THE Borrower has applied for and has been granted an advance of Rs _____/- (Rupees _____ only) to purchase a Motor Vehicle and/or to pay customs duty in respect of (the) Motor Vehicle on the terms of paragraph 1536 and 1537 of the Indian Railway General Code (hereinafter referred to as the said Code which expression shall include any amendment thereof or addition thereto for the time being in force) AND WHEREAS one of the conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will hypothecate the said Motor Vehicle to the President as Security for the amount lent to the Borrower, AND WHEREAS the Borrower has purchased and/or paid customs duty with or partly with the amount so advanced as aforesaid the Motor Vehicle particulars whereof are set out in the schedule hereunder written.

NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby convenient to pay to the President the sum of Rs. _____/- aforesaid or the balance thereof remaining unpaid at the date of present by equal payment of Rs. _____/- each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated according to the said code and the Borrower doth agree that such payment may be recovered by monthly deductions from his salary in the manner provided by the said Code, and in future pursuance of the said agreement the Borrower doth hereby assign and transfer onto the President the Motor Vehicle, the particulars whereof are set out in the schedule hereunto written by way of security for the said advance and the interest thereon as required by the said Code.

AND the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said Motor Vehicle and / or the entire customs duty payable and that the same is his/her absolute property and that he has not pledged and so long as any money remain payable to the President in respect of the or possession of the said Motor Vehicle, PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said installments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time cease to be in Govt. Service or if the Borrower shall sell or pledge or part with the property in or possession of the said Motor Vehicle or become insolvent or made any composition or arrangement with his creditors or if any person shall take

proceeding in execution of any decree or judgment against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable AND IT IS HEREBY AGREED and declared that the President may on the happening of any of the events herein before mentioned seize and take possession of the said Motor Vehicle and either remain in possession thereof without removing the same or else may remove and sell the said Motor Vehicle either by public auction or private contract and may out of the sale money retain the balance of the said advance than remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, express and payments properly incurred or made in maintaining defending or realizing his rights hereunder and shall pay over the surplus if any, to the Borrower, his executors, administrators or personal representatives provided further that the aforesaid power of taking possession or selling of the said Motor Vehicle shall not prejudice the right of the President, to sue the Borrower or his personal representatives for the said balance remaining due and interest or in the case of the Motor Vehicle being sold the amount by which the net sale proceeds fall short of the amount owing and the Borrower hereby further agrees that so long as any money are remaining due and owing to the President, he the Borrower will ensure and keep insured the said Motor Vehicle against loss or damage by time, theft, or accident with an Insurance company to be approved by the Accounts Officer concerned and will produce evidence to the satisfaction of the Accounts Officer that the Motor Insurance Company with whom the said Motor Vehicle is insured have received notice that the President is interested in the policy and the borrower hereby further agrees that he will not permit or allow the said Motor Vehicle to be destroyed or to be deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof and further that in the event of any damage or accident happening to the said Motor Vehicle the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of the Motor Vehicle : -----
Maker's name : -----
Description : -----
No. of cylinders : -----
Engine No. : -----
Chassis No. : -----
Cost Price : -----

IN WITNESS WHEREOF the mortgage Borrower has here unto set his hand and -----
-----in the Ministry/Office of the -----
-----for and on behalf of the President
of India has hereunto set his hand

(The President has agreed to bear the stamp duty if any, leviable on this document)

• Signed by the said -----in the presence of

1-----

2-----

(Signature of witness)

Name & Designation

(Signature & Designation of the Borrower)

Name : -----

Designation : -----

For and on behalf of the President of India in the presence of:

1.....

2.....

(Signature of witness)

(Signature & Designation of the Officer)