

BIHAR STATE MINORITIES FINANCIAL CORPORATION LTD.

34, Harding Road, Patna

AGREEMENT OF HYPOTHECATION TO SECURE TERM LOAN/CASH CREDIT

This Agreement made atthe.....day of two thousand...
.....between.....(hereinafter referred to as "Borrower"
which expression shall where the borrower is a single individual, include his/her heirs, executors
and administrators and where the borrowers are more than one individual include all of them jointly
and each of them severally and their survivor or survivors and the respective heirs, executors,
administrators or other legal representatives of a deceased borrower) of the One Part and Bihar
State Minorities Financial Corporation Ltd. a body corporate constituted under the Companies
(Acquisition and Transfer of Undertakings) Act, 1956 and having its Head Office at Patna
(hereinafter referred to as "the Corporation which expression shall include its successors and
assigns) of the Other Part.

Whereas the Borrower has applied to the Corporation for a Loan to the extent of Rs.....
For the Loan to the extent of Rs.....for the express purpose and upon the
basis set out in the Borrower's Application dateda copy where of is annexed
hereto and marked '1' which the Corporation agreed to do upon having repayment there of
secured on the terms and conditions and in the manner hereinafter mentioned.

And whereas the Corporation has prior to the execution of the Agreement granted to the
Borrower the Loan of Rs.....and the Borrower has purchased/agreed to
purchase therewith the moveable assets/property/ machinery/goods/stock described in Schedule
'A' hereunder written.

Or

And Whereas the Corporation has at request of the Borrower agreed to disburse the said
Loan to the extent of Rs. On or after execution of this agreement either in one lump sum or in such
amount and at such amount and at such times as may be mutually agreed upon by the parties to
be utilized by the Borrower for the purchase of the moveable assets/ property/
machinery/goods/stock described in the Schedule here under written and for no other purpose.

Now in Consideration of the premises it is hereby agreed by and between the parties as
follows: -

1. (a) The Borrower shall repay to the Corporation atthe said Loan of Rs....
.....of the balance thereof for the time being out-standing in the said Loan Account on
demand by the Corporation.
(b) The Borrower shall so long as the said Loan of Rs.....or any Part thereof
remains outstanding and unpaid to the Corporation interest on the said Loan of
Rs.....or the balance thereof from time to time due the said Loan Account at the
rate ofpercent per annum (or such at other rates as may be notified by the
Corporation to the Borrower from time to time) with quarterly each and so that such interest shall
be calculated charged and payable in accordance with the usual practice of the Corporation in
such manner as the Corporation may from time to time notify in the behalf to the Borrower.
2. The Borrower both hereby hypothecates and charge by way of first charge in favour of the
Corporation moveable assets/ property/machinery/goods/stock described in the Schedule
hereunder written (herein after called "the hypothecated goods' which expression shall where
required or necessary include all fittings' tools' accessories and part whatsoever pertaining to the
said hypothecated goods and/all replacements of or addition made to the hypothecated goods
from time to time) and all such moveable assets/property/machinery/goods/stocks as may be
acquired by the Borrower at any time during the continuance of this agreement, as security for due
repayment by the Borrower to the Corporation.....on demand by the Corporation of

the said Loan of Rs.....for the balance for the time being outstanding in the said Loan Account together with interest thereon at the rate and in the manner aforesaid and also together with all cost charges, and expenses (the legal costs being between advocate and client as well as all miscellaneous expenses in relation to the said litigation for recovery) incurred by the Corporation for the protection, preservation defense and perfection of this security and for attempted or actual realization there.

3. The Borrower shall not during the continuance of the Agreement sell, dispose of, pledge, hypothecate or otherwise charge. Encumber or in any manner part with the possession of the hypothecated goods or any part thereof nor shall the Borrower do or permit : to be done any act whereby the security hereinbefore expressly given to the Corporation shall in any way be prejudicially affected or whereby and distress or attachments or execution may be levied thereon by any creditor or other person including any government or municipal authority or body.
4. So long as any money remains due in respect of the said loan, the Borrower shall not remove or cause or permit to be removed the hypothecated goods from the Borrower's premises at.....where the same are presently kept or to which (with the consent of the Corporation) the same may be hereafter removed except in the manner and to the extent allowed by the Corporation or except for effecting necessary repairs thereto the Corporation shall be entitled to put up and the Borrower hereby gives his consent to the Corporation to put up the Corporation name board at the place where the hypothecated goods are or may be stored at such time and in such manner as the Corporation may deem proper.
5. The Borrower will at all times keep the hypothecated goods in a marketable state and in good and substantial repair and condition and in through working order and will not make any alteration therein without the previous written consent of the Corporation.
6. The Borrower undertakes to indemnify the Corporation against every and any kind of loss or damage by reason of damage to or destruction or loss of the hypothecated goods from any cause whatsoever or by reason of any claims by third parties.
7. The Borrower shall notify the Corporation at once of any change in his present address given below and also the address to which the hypothecated goods may be moved subject nevertheless to the provision of clause 4 above.
8. The Borrower hereby irrevocably empowers the Corporation and any person or persons from time to time authorized by the Corporation in that behalf and without previous notice to the Borrower to enter the said premises or any other premises whatsoever for the purpose of inspection or valuation or for taking possession of the hypothecated goods pursuant to clause 9 herein contained or for any other purpose mentioned in the said clause and to remain on the said premises so long as the Corporation may think necessary.
9. If the Borrower makes any default in paying the said, Loan of Rs.....or the balance for the time being outstanding in the said Loan Account or any interest due in respect of the said Loan Account or any of the events, matters, circumstances mentioned below shall occur that is to say, if.
 - (a) any representation or statement in the Borrower's said Application for loan being found to be materially incorrect,
 - (b) the Borrower committing any breach or default in the performance or observance of any term or condition contained in these presents or in the said Loan Application,
 - (c) execution or distress or other process being enforced or levied upon or against the whole or any part of the Borrower's property whether secured to the Corporation or not,

(d) the Borrower being adjudicated insolvent or taking advantage of any law for the relief of insolvent debtors or entering into any arrangement or composition with his creditors or committing any act of insolvency,

(e) if the Borrower shall without the consent in writing of the Corporation create or attempt or purport to create any mortgage, pledge hypothecation or lien or encumbrance on the goods which is the subject of the Corporation security hereunder,

(f) if any event or circumstance shall occur which shall in the opinion of the Corporation be prejudicial to or endanger its security hereunder.

Then in any case the Corporation shall if it thinks fit be entitled at the risk and expense of the Borrower without any notice at anytime or times after such default or event or circumstance occurs or happens to enter (any for that purpose to do any necessary act deed or thing) and remain upon any place whether the hypothecated goods or the books of account of the Borrower may be and to inspect, value, insure and take charge or possession and/or to seize, recover receive appoint receivers of all or any part of the hypothecated goods or books of account and thereupon forth with or at time and from time to time but after giving not less than 48 hours notice at least to sell either by public auction or private contract or otherwise dispose or deal with the hypothecated goods in such manner and upon such terms and conditions as the Corporation shall think fit and to apply the net sale proceeds towards repayment of the ultimate balance due in the said Loan Account/and interest due thereupon the date of such application and to enforce, realize, settle compromise and deal with the rights aforesaid without being bound to exercise any of these powers or being liable for any losses in the exercise thereof and without prejudice to the Corporation rights and remedies of suit or otherwise notwithstanding there may be any pending suit or other proceeding. The Borrower hereby also agrees to accept the Corporation's accounts of sales and realization and to pay any shortfall on deficiency thereby shown; and if the net sum realized by such sale shall be insufficient to pay the total amount secured hereunder, the Corporation shall be at liberty to apply any other money or moneys in the hands of the Corporation standing to the credit of or belonging to the Borrower in or towards the payments of the balance and in the event of there being still a deficiency, the Borrower shall forthwith pay such provided that nothing herein contained shall in any manner prejudice or affect the Corporation's remedy against the persons of the Borrower.

On the question whether any of the matters, events, or circumstances mentioned above in this clause has or have happened, the opinion of the Corporation shall be conclusive and binding on the Borrower, both in and out of Court.

10. The Borrower hereby declares and guarantees that the hypothecated goods are and shall remain the absolute and unencumbered property of the Borrower with full power of disposition there over.
11. The Borrower shall furnish and verify all statements and information from time to time and as required by the Corporation and give and execute any necessary documents required to give effect to this security.
12. The Borrower shall, whenever required by the Corporation, give full particulars to the Corporation of all the assets of the Borrowers and of the hypothecated goods and shall at all times the Corporation or any authorized Agent of hypothecated goods and of all records of the Borrower in reference thereto and shall allow the Corporation or its agents to value the same. All costs, charges and expenses incurred by the Corporation and incidental to such inspection and valuation shall be paid to the Corporation, forthwith on demand the Corporation's statement being conclusive and until payment, shall with interest at the rate aforesaid be a charge upon the hypothecated goods. Any such valuation shall be conclusive and binding on the Borrower.
13. The Borrower shall at the times during the continuance of this security keep and maintain such margin of security in favour of the Corporation ("here-in after called, the said margin") as may be

required by the Corporation from time to time If and so often as the said margin shall fail to be maintained, then the Borrower shall forthwith (according as the Corporation may require) either hypothecated to the Corporation further goods or tangible moveable property approved by the up the deficiency or shall reduce the amount for the time being due to the Corporation by a cash payment so as to maintain the said margin.

13. The Borrower shall as his own expense insure and keep insured the hypothecated goods against fire and such other risks as the Corporation shall from time to time require for the full market value thereof in one or more insurance officers approved by the Corporation and shall deliver to the Corporation the policies of insurance duly assigned to the Corporation and shall keep on foot and maintain such insurances throughout the continuance of the security and deliver to the Corporation the renewal receipts thereof. In default, the Corporation may (but shall not be bound to) keep in good working order and condition and to render marketable the hypothecated goods or to effect or renew such insurance. Any premium paid by the Corporation or any other amount paid by the Corporation under this clause and any costs charges and expenses whatsoever incurred by the Corporation hereunder shall be repaid by the Borrower on demand forthwith AND until repayment with interest at the rate aforesaid be a charge on the hypothecated goods. All sums received under such insurance shall be applied in or towards liquidation of the amount for the time being due hereunder to the Corporation.
15. The Borrower agrees to accept as conclusive proof of the correctness of the sum claimed to be due from him to the Corporation under this Agreement as statement of account made out from the books of the Corporation and signed by the Managing Director/Secretary/Accounts Officer and/ or other dully authorized officer of the Corporation without the production of any other voucher, document or paper.
16. The Corporation shall not in any way be liable or responsible for any damage or depreciation which the hypothecated goods or any part thereof may suffer or sustain on any account whatsoever while the same shall at any time come into possession of the Corporation or of any receiver appointed by the Corporation.
17. The Borrower shall inform the Corporation promptly of any notice or intimation received from any Government, Semi Government , Revenue, Municipal or local or other authorities regarding any default, delay, etc by the Borrower in payment of any dues or in the performance of the Borrower's obligation towards them.
18. Pending seizure and possession thereof by the Corporation, the hypothecated goods and any documents and any sale proceeds thereof (where such sale is permitted by the Corporation) and any insurance monies received by the Borrower shall be held as the Corporation's exclusive property specifically appropriated to this security. Where the hypothecated goods consists of stock or goods in which the Borrower deals in the course of his trade or business, then the Borrower may sell such stocks or goods in the ordinary course of business but shall credit the sale proceeds thereof to the said Loan Accounts or in any other Account specified by the Corporation provided that the Borrower shall not make any such sale of the hypothecated stock or any other hypothecated goods aforesaid upon being prohibited by the Corporation from doing so.
19. The Borrower shall provide to the Corporation all such information as the Corporation shall from time to time at its discretion require, including information relating to the financial conditions of the Borrower.
20. Nothing herein shall operate to prejudice the Corporation is rights or remedies in respect of any present or future security, guarantee, obligation or decree for any indebtedness or liability of the Borrower to the Corporation.

21. The Borrower confirms that he has not borrowed any money from any other Corporation or financial institution and further that so long as the Borrower continues to be indebted or liable to the Corporation in the said loan/account or in any other account or manner, the Borrower will not without the previous written consent of the Corporation borrow any moneys from any other Corporation or financial institution.
22. Where the Borrower is more than once individual, each one of them shall be bound and liable hereunder jointly and severally with the other or others of them and all covenants, conditions, agreements herein contained shall be performed by them and each of them jointly and severally and act or default by any of them shall be deemed to be any act or default by all of them. Where the Borrower is a firm, such firm and all partners thereof from time to time shall be bound hereunder both jointly and severally, notwithstanding any charges in the constitution or style thereof and notwithstanding that the firm shall consists of or be reduced to one individual.
23. Any notice by way of request or otherwise hereunder may be given by the Corporation to the Borrower personally or may be left at the address given below or at the then or last known place of business or residence of the Borrower in the Republic of India as the case may be addressed to the Borrower or may be sent by post to the Borrower as aforesaid and if sent by post, such notice shall be deemed to have been given at the time when it would be delivered in due course of post, and in proving such notice when given by post it shall be sufficient to prove that the envelope containing the notice was posted and a certificate signed by the Corporation Local Manager or Accountant that the envelope was so posted shall be conclusive, if , by reason of absence of the Borrower from the place mentioned below or otherwise, any such notice to the Borrower cannot be given, then the same, if inserted once as an advertisement in an newspaper circulation in the district where the Borrower was last known to reside or carry on business shall be deemed to have been effectually given and received on the day on which such advertisement appears.
- In witness whereof the Borrower has executed this Agreement the day and year of first above written.

SCHEDULE 'A'
(Description of the hypothecated goods)

Signed by the above named

(Signature/s of Borrower/s)

(Address of Borrower/s)

(Note to be witnessed)

(Copy of Borrower's application for Loan/Cash Credit to be annexed)

Document checked

Date: -----

Note: - In Case of any discrepancy or dispute, English version will be treated as authentic.

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34, Harding Road, Patna

AGREEMENT OF HYPOTHECATION TO SECURE TERM LOAN/CASH CREDIT

This Agreement made aton the.....day of two thousandbetween.....(hereinafter referred to as "Borrower" which expression shall where the borrower is a single individual, include his/her heirs, executors and administrators legal representatives, estate and effects and where the borrowers are more than one individual include all of them jointly and each of them severally and their survivor or survivors and the respective heirs, executors, administrators, legal representatives, estates and effects or any deceased borrower jointly and severally) of the One Part and Bihar State Minorities Financial Corporation Ltd. a body corporate constituted under the Companies (Acquisition and Transfer of Undertakings) Act, 1956 and having its Head Office at 34, Harding Road, Patna - 800001. (Hereinafter referred to as "the Corporation which expression shall include its successors and assigns) of the Other Part.

Whereas the Borrower applied to the Corporation for a loan to the extent of Rs.....on the basis set out in his application dated.....a copy whereof is annexed here to and marked 'I' for the express purpose of enabling the Borrower to purchase there with a new/second hand taxi/ truck/ bus/ car/ cab/ carriage/ van/ wagon/ lorry/ tempo/ dumper/ oil tanker/ tractor/ ambulance/ hand-rickshaw/ cycle – rickshaw/ auto-rickshaw/ cart/ bullock-cart to be operated as a public/ private transport (or goods/ passengers which the Corporation has agreed to do upon having the repayment thereof on the terms and conditions and in manner hereinafter mentioned.

And whereas the Corporation has on or before execution of this Agreement granted/ agreed to grant to the Borrower the said loan of Rs.....and the Borrower has purchase/ agreed to purchase the said.....there from.

OR

And whereas the Corporation has at the request of the Borrower agreed to disburse the said loan to the extent of Rs.....on or after execution of this Agreement either in one lump sum or any such amounts and at such times as may be mutually agreed upon by the parties to be utilized by the Borrower for the purchase of the said.....and for no other purpose.

Now it is hereby agreed by and between parties as follows:

- (a) The Borrower shall repay to the Corporation atthe said loan of Rs.....by the respective installments and on the respective days set out in Schedule 'B' hereto provide that if the amount of the loan actually disbursed is less than Rs..... Then the amount of installments payable as aforesaid shall be reduced pro-rata but shall be payable on the respective days specified in the said Schedule 'B'.

(b) The Borrower shall so long as the said loan or any part thereof remains unpaid pay to the Corporation interest thereon or on the balance thereof due from time to time at the rate of % Over Corporation rate with minimum of% per annum or ate such other rate or rates as may from time to time notified by the Corporation to the Borrower (including in particular interest at an additional or penal rate in the event of default by the Borrower in punctual payment of any installments of principal any or of interest) with quarterly rests in each year and so that such interest shall be calculated and charged and be payable in accordance with the usual practice of the Corporation.
- The Borrower expressly agreed with the Corporation that the Corporation shall be entitled to refuse to grant the said advance or any part thereof which may remain to be advanced in the events of: -

(a) any of representations, assurances, statements and particulars contained in the Borrower's application being found in the Corporation's opinion (which shall be conclusive and binding on the Borrower) to be incorrect,

OR

(b) The Borrower failing to utilize the advance or any part thereof for the purpose and in the manner mentioned in his application,

OR

(c) The Borrower failing to implement the terms and conditions mentioned in his application, to the satisfaction of the Corporation,

OR

(d) The Borrower failing to comply with and of the terms and conditions either of the letter of the Corporation No.....dated.....conveying the Corporation's..... sanction in the grant of the said advance or of this Agreement or of any security documents executed/ to be executed by the Borrower,

OR

(e) Happening or occurrence of any of the matters, events or circumstances mentioned in clause 15 hereof. On the question whether any of the events, matters or circumstances mentioned in sub-clauses (a) to (e) above have or has occurred, the opinion of the Corporation shall be final and conclusive and binding on the Borrower.

3. The Borrower doth hereby hypothecate the charge by way of first charge in favour of the Corporation the said.....more particularly described in the Schedule 'A'. hereunder written (hereinafter to be as "the hypothecated vehicle" which expression shall include all fittings, tools, accessories, equipments, instruments, spare parts and other parts whatsoever pertaining to the said hypothecated vehicle and nil replacements of or additions made to the hypothecated vehicle from time to time) as security for due repayment by the Borrower to the Corporation at.....of the said loan of Rs.....and interest hereon by the installments on the days and in the manner aforesaid and for all costs, charges and expenses (the legal costs being between Attorney/Advocate and client) incurred by the Corporation for the protection, preservation, defense and perfection of this security and for its attempted or actual realization thereof and recovery of its dues hereunder and also for the due repayment of all present and future indebtedness and liabilities of the Borrower to the Corporation of any kind in any manner whether solely or jointly primary or collateral accrued or accruing with all relative interests, Attorney/ Advocate and client) charges and expenses as herein mentioned.

4. (a) The Borrower shall not during the continuance of this Agreement sell, dispose of, transfer, assign, lease, mortgage, pledge, hypothecate or otherwise charge or encumber in any manner or part with the possession of the hypothecated vehicle nor shall the Borrower do or permit to be done any act whereby the security hereinbefore expressly given to the Corporation shall in any way be prejudicially affected or whereby any distress or attachment or execution may be levied thereon by any creditor or other person or any Government or Road Transport or Municipal Authority or body or any local or other Authority or Body what so ever.

(b) The Borrower hereby assures the Corporation he has not borrowed any moneys from any other source or Corporation for purchasing any vehicle for road transport and that so long as he continues to be indebted or liable to the Corporation in the Account hereby secured or in any other Account or manner he shall not without the previous written consent of the Corporation borrow any moneys for the said purpose from any other source or Corporation.

5. So long as any money remains due in respect of the said loan the Borrower shall not without the previous written consent of the Corporation remove or cause or permitted to be removed the hypothecated vehicle out of the state of Or out of the area of operation in which he is authorized to operate the vehicle under the permit or any rules or regulations relating

to plying of the hypothecated vehicle or use or permit or allow to be used the hypothecated vehicle for any unlawful or unauthorized purpose or use or permit to be used the hypothecated vehicle for any reliability test or trial or racing competition or any purpose whatsoever other than the operation of public/private transport of goods/passengers as specified in the permit issued/to be issued by the appropriate Road Transport Authority The Borrower shall strictly comply with all requirements and conditions of the said permit and all laws, rules, regulations or bye-laws relating there to and shall not do or allow or suffer to be done any act, deed or thing whereby the said permit may be cancelled or become void or may be liable be cancelled or declared void or be suspended.

6. The Corporation shall be entitled to put up and the Borrower hereby gives his consent to the Corporation to put up a board or plate on the hypothecated vehicle at such place as the Corporation deems fit indicating that the hypothecated vehicles hypothecated to the Corporation and also in its discretion at the place where the hypothecated vehicle is garaged or kept in such manner as the Corporation may deem proper.
7. The Borrower shall at all times keep the hypothecated vehicle in good running order and regularly serviced and in good and substantial repair and condition. Provided that the Borrower shall not make or effect any major repair, alteration or replacement therein without the previous written consent of the Corporation and provided further that the Borrower shall not create or allow or cause to be created any lien or any other charge upon hypothecated vehicle for the cost of any servicing or repair in favour of any person whomsoever.
8. The Borrower undertakes to indemnify and keep indemnified the Corporation against every and any kind of loss or damage by reason of any accident or damage to or destruction or loss of the hypothecated vehicle from any cause whatsoever or by reason of any claims upon the same by third parties.
9. The Borrower shall notify the Corporation at once of any change in his present address given below and shall keep the Corporation informed of the place at which the hypothecated vehicle is kept or garaged whilst not on the road or whilst not used for transport of goods/ passengers.
10. The Borrower hereby irrevocably empowers the Corporation and any person or persons from time to time authorized by the Corporation in that behalf and without previous notice to the Borrower to take possession of and remove the hypothecated vehicle from any place where it may be lying at any time and enter into any garage or other premises whatsoever and whosoever. In which the hypothecated vehicle may be lying, either for the purpose of inspection or valuation thereof or for taking possession and removal thereof pursuant to the powers herein contained or for any other purpose mentioned in clause 16 herein and to remain in such garage or other premises so long as the Corporation or its authorized representative may think necessary and for the said purposes to do or cause to be done all such acts, deeds and things, as the Corporation or its authorized representative may in its or his discretion consider necessary or proper or desirable.
11. All Costs, charges, and expenses incurred by the Corporation of an incidental to such removal of taking possession as mentioned in clause 10 hereinabove or to such inspection or valuation or any other act as mentioned clause 16 herein shall be paid to the Corporation forth with on demand by the Borrower (the Corporation's statement regarding such costs, charges and expenses being conclusive against the Borrower both in and out of Court) and until payment the same shall be a charge upon the hypothecated vehicle and shall form part of the moneys hereby secured. Any valuation made as hereinabove provided shall be conclusive and binding on the Borrower in and out of Court.

12. The Borrower shall pay all the rents, rates, taxes, assessments and outgoings in respect of the garage or premises in which the hypothecated vehicle is or may be kept or garaged. In default the Corporation may (but shall not be bound to) pay the same without prejudice to any of its rights hereunder.
13. The Borrower shall pay all taxes, duties, fees, registration charges and other dues and charges payable in respect of the hypothecated vehicle to the Government or Road Transport authority or to the Municipality or to any public or local body or authority whatsoever and shall keep the Corporation informed of having paid such taxes, duties, fees, dues and charges from time to time in default of the Borrower to make such payments the Corporation may (but shall not be bound to) pay the same without prejudice any of its rights hereunder.
14. The Borrower shall at all times during the continuance of this security at his own expense insure and keep insured the hypothecated vehicle against all accidents, fire, riot, civil commotion, third-party risks and all such other risks as may either be required by law and/ or as may from time to time be required by the Corporation and shall pay the premiums in respect thereof at least two weeks before the same shall have become due or payable and shall deliver to the Corporation the policies of insurance (fully assigned to the Corporation if so required by it) and shall keep on foot and maintain such insurance throughout the continuance of the security and deliver to the Corporation the renewal receipts therefore. If default shall be made by the Borrower in keeping the hypothecated vehicle in good repair and condition and running order or in effecting or renewing any such insurance or in paying any such rent, rates, taxes, assessments, outgoings, fees, dues, duties and other charges and any insurance premiums as mentioned herein then and in any such event the Corporation without prejudice to all its rights hereunder or under any law, may (but not shall be bound to) take steps to put the hypothecated vehicle in good repair and condition and in proper running order and to pay all charges for the same or may effect or renew such insurance and may pay such premium, rents, rates, taxes, assessments, outgoings. Fees, duties, dues and other charges, Any rents, rates, taxes, assessments, duties dues, fees charges and outgoings or any premium pay by the Corporation and any costs, charges and expenses incurred by the Corporation for keeping the hypothecated vehicle in good repair and condition and in proper running order or for any other purpose mentioned herein shall be repaid by the Borrower forthwith on demand by the Corporation and shall until repayment with interest at the rate aforesaid be a charge on the hypothecated vehicle and shall form part of the moneys hereby secured The Borrower shall forthwith notify the Corporation of any loss or damage to the hypothecated vehicle by theft, riot, civil-commotion, fire, collision or accident or otherwise howsoever and shall on the happening of any such event lodge the necessary claim with the insurance company within the prescribed time and shall also take proper steps to have the hypothecated vehicle put in thorough working order and in good repair and condition as soon as possible. All sums received under such insurance shall at the option of the Corporation be applied in or towards liquidation of the amounts for the time being due to the Corporation under the security hereof. If there is any surplus the same shall be dealt with as provided in clause 17 hereof.
15. Notwithstanding anything herein contained the whole of the said loan or the entire balance thereof outstanding at the time shall become forthwith due and payable by the Borrower to the Corporation and the Corporation will be entitled to enforce its security hereunder upon the happening of any of the following events, namely: -
 - (a) Any installment of principal or interest or any part thereof in respect of the said loan if it is unpaid for a period of 15 days after the respective due dates provided herein for payment thereof.
 - (b) Any representation or statement in the Borrower's Loan Application being found to be false.
 - (c) The Borrower committing any breach or default in the performance or observance of any term or condition contained in these presents or in the said Loan Application.

- (d) Execution or distress or other process being enforced or levied upon or against the whole or any part of the Borrower's property whether secured to the Corporation or not.
- (e) The Borrower being adjudicated insolvent or taking advantage of any law for the relief or insolvent debts or entering into any arrangement of composition with his creditors or committing any act of insolvency.
- (f) If the Borrower shall without the consent in writing of the Corporation create or attempt purport to create any mortgage, charge pledge, hypothecation or lien or encumbrance on the hypothecated vehicle which is the subject of the Corporation security hereunder.
- (g) If any event or circumstance shall occur which shall in the opinion of the Corporation be prejudicial to or endanger or be likely to prejudice or endanger its security hereunder, or
- (h) If the Borrower shall with the previous written consent of the Corporation borrow any moneys from any other source or Corporation for the purpose of purchasing any other vehicle for road transport operations. On the question whether any of the matters referred to in sub-clauses (a) to (h) above has happened, the opinion of the Corporation shall be conclusive and binding on the borrower, both in and out to Court.

16. On the happen in of nay of the defaults or acts, events or circumstances mentioned in clause 15 above the Corporation shall if is so thinks fit be entitled any time or times after such defaults, act, event or circumstance occurs or happens at the risk and expense of the Borrower and without any notice to the Borrower to take possession of and remove the hypothecated vehicle, from any place where it may be lying and to enter (and for that purpose to do any necessary act, deed or things) and remain in or upon any garage or place where the hypothecated vehicle may be and to inspect, value, insure and take charge or possession of the hypothecated vehicle and remove the same from such garage or premises and for all or any of the said purposes to do any acts, deeds or things which the Corporation may in its desecration think necessary or proper and to seize, recover receive, appoint receiver or remove the hypothecated vehicle and thereupon forthwith 01 at any time and from time to time after giving not less than 15 days notice at least to sell the hypothecated vehicle by public auction or private contract or by tender or otherwise dispose of or deal with the hypothecated vehicle at such price and in such manner and upon such toms and conditions as the Corporation shall think fit and to apply the net sale proceeds towards the repayment of the balance due in the said loan Account together with all interests due thereon up to the said date of such application and also all costs charges and expenses and other moneys payable by the Borrower under the terms hereof, and to enforce, realize settle, compromise and deal with any rights aforesaid without being bound to exercise any of these powers or being liable for any losses in the exercise thereof and without prejudice to the Corporation rights and remedies of suit or otherwise and notwithstanding there may be any pending suit or other proceedings, The Borrower hereby also agrees to accept as final and conclusive (both in and out of Court) the Corporation accounts of sale and realization and to pay any shortfall or deficiency thereby shown and if the net sum realized by such sale shall be insufficient to pay the amount secured, the Corporation shall be at liberty to set-off and apply (without any prior notice to the Borrower) any other money or moneys in the hands of the bank standing to the credit of or belonging to the Borrower in 01 towards the payment of the balance and in the event or there being still a deficiency, the Borrower shall forthwith pay such deficiency. Provided that nothing contained shall in any manner prejudice or affect the Corporation remedy against the Borrower personally.

17. In the event of there being a surplus available out of the net proceeds of the said sale after payment in full of the balance due to the Corporation it shall be lawful for the Corporation to apply any such surplus together with any other money or moneys belonging to the Borrower for the time being in the hands of the Corporation in or under whatever accounts as far as the same shall extend in or towards payment or liquidation of any and all other moneys which shall be or become due from the Borrower whether solely or jointly with any other person, firm or company to the Corporation by way of loan or cash-credit or overdraft or Guarantees, or of any other demands

legal or equitable which Hit, Corporation may have against the Borrower or which the law of set off or mutual credit would in any case admit and whether the Borrower shall become or be adjudicated bankrupt or insolvent or be in liquidation or other wise and interest thereon from the date on which any and all advance or advances in respect thereof shall have been made at the rate or respective rates at which the same shall have been so advanced.

18. The Borrower hereby declares and guarantees that the hypothecated vehicle shall remain the absolute and unencumbered property of the Borrower with full power of disposition there over.
19. The Borrower shall furnish and verify all statements and information from time to time and as required by the Corporation including information relating to the financial condition of the Borrower and give and execute any necessary documents required to give effect to this security.
20. The Borrower agrees to accept (both in and out of Court) as conclusive proof of the correctness of any sum claimed to be due from him to the Corporation under this agreement a statement of account made out from the books of the Corporation and signed by the Managing Director/ Secretary/ Accounts Officer and/ or other duly authorized officer of the Corporation without the production of any other voucher, documents or paper.
21. The Corporation shall not in any way be liable or responsible for any damage or depreciation which the hypothecated vehicle or any part thereof may suffer or sustain on any account whatsoever while the same shall at any time come into possession of the Corporation or of any receiver to be appointed by the Corporation.
22. The Borrower shall inform the Corporation promptly of any notice or intimation received from any Government, Semi-Government, Road Transport, Revenue, Municipal or Local or other Authorities regarding and default or delay by the Borrower in payment of any taxes, fees, cess, assessment, rents or any statutory or other dues or liability of the Borrower.
23. Nothing herein shall operate to prejudice the Corporation rights or remedies in respect of any present or future security, guarantee, obligation or decree for any indebtedness or liability of the Borrower to the Corporation.
24. The Corporation may hold the security hereunder as also all securities belonging to the Borrower (which may now be in the possession of the Corporation or which may at any time hereafter come into possession of the Corporation) and the proceeds thereof respectively not only for the specific advance made thereon but also as collateral securities for any other moneys now due or which at any time be due from the borrower to the Corporation whether singly or jointly with another or others.
25. In addition to any general lien or similar right to which the Corporation may be entitled by law the Corporation may be entitled by law the Corporation may at any time and without notice to the Borrower combine or consolidate all or any of the Accounts of the Borrower with the Corporation and liabilities to the Corporation and set-off or transfer any sum or sums standing to the credit of any one or more of such Accounts in or towards satisfactions of any of the liabilities of the Borrower to the Corporation on any other account or in any other respects, whether such liabilities be actual or contingent, primary or collateral or several joint.
26. No delay in exercising or omission to exercise any right, power or remedy accruing to the Corporation upon any default under this agreement or under any security documents shall impair or prejudice any such rights, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default; nor shall the action or inaction of the Corporation in respect of any

default or any acquiescence by it in any default, affect or impair any right, power or remedy of the Corporation in respect of any other default.

27. Where the Borrower is more than one individual each one of them shall be bound and liable hereunder jointly and severally with the other or others of them and all covenants conditions agreements herein contain shall be performed by them and each of them jointly and severally and any act or default by any of them shall be deemed to be an act or default by all of them. Where the Borrower is a firm, such firm and all partners thereof from time to time shall be bound hereunder both jointly and severally notwithstanding and changes in the constitution or style thereof and notwithstanding that the firm shall consist of or be reduced to one individual.

28. Any notice by way of request or otherwise hereunder may be given by the Corporation to the Borrower personally or may be left at the address given below or at the then or last known place of business or residence of the Borrower in the Republic of India as the case may be, addressed to the Borrower or may be sent by post to the Borrower as aforesaid and if sent by post such notice shall be deemed to have been given at the time when it would be delivered in due course of post, and in proving such notice when given by post, it shall- toe sufficient to prove that the envelope containing the notice was posted, and a certificate signed by the Corporation's Local Manager or Agent or Accountant or any other officer that the envelope was so posted shall be conclusive. If by reason of absence from India as the case may be or otherwise, any such notice to the Borrower cannot be given, then the same, if inserted once as an advertisement in a newspaper circulating in the district where the Borrower was last Known to reside or carry on his profession or business shall be deemed to have been effectively given and received on the day on which such advertisement appears.

In Witness whereof the Borrower has executed this Agreement the day and year first above written.

SCHEDULE 'A'

(Description of the hypothecated vehicle)

SCHEUDLE 'B'

Signed and Delivery by
the above named Borrower/s

(Signature/s of Borrower/s)

Address of Borrower/s

(Note to be Attested)

(Copy of Borrower's Loan Application to be attached)

Document checked

Date: -----

Note: - In Case of any discrepancy or dispute, English version will be treated as authentic