

APPLICATION FORM
(To be filled by the applicant)

GENERAL

- 1 Name (IN BLOCK LETTERS) :
- 2 Post held, Permanent /Temporary/Officiating :
- 3 In Ministry/ Office :
- 4 Length of service on the date of application :
- 5 (i) Present pay as defined in Rule 4 (b) and :
(ii) scale of pay :
- 6 Date of Superannuation :
- 7 Amount of Provident fund / Any other advance/ Final withdrawal taken for purchase of Land/ Construction (An attested copy of the sanction to be enclosed). :

PARTICULARS RELATING TO ADVANCE

*8 If advance is needed for purchase of a plot and/or for construction of a new house, please give the following information :-

A. Plot

| Location with address | Rural/ Urban | Is it clearly demarcated & developed | Approximate area in Sq.Fts.. | (a) Cost (b) Amount actually paid | If not purchased, when proposed to be required. | Unexpired portion of lease if not free hold. |
|-----------------------|--------------|--------------------------------------|------------------------------|-----------------------------------|---|--|
| | | | | | | |

B. Construction

| Floor-wise area to be constructed (in Sq.Fts.) | Estimated Cost | Amount of advance required (for land/ construction/both) | No. of installments for repayments |
|--|----------------|--|------------------------------------|
| | | | |

*9. If advance is required for enlarging the existing house, please state:

| Location with address | Plinth area in sq.mtrs. | Plinth area proposed for enlargement, in sq.mtrs. | Cost of construction/ acquisition of existing house | Cost of proposed enlargement | Total plinth area (2+3) | Total cost (4+5) | Amount of advance required | No.of installments for repayment. |
|-----------------------|-------------------------|---|---|------------------------------|-------------------------|------------------|----------------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | |

NOTE : If the enlargement is proposed on any floor other than ground floor, a certificate from the approved Engineer to the effect that foundations of the existing structure can be safely take the load of the proposed enlargements should be enclosed.

*10 If advance is required for purchasing a ready-built house/flat, please state:

| Location with address | Plinth area | When constructed | Price settled | The agency from whom to be purchased | (a) Amt. already paid. (b) Amt. to be paid | Amount of advance required | No.of installment for repayment. |
|-----------------------|-------------|------------------|---------------|--------------------------------------|---|----------------------------|----------------------------------|
| | | | | | | | |

MISCELLANEOUS

*11 If you or any dependent member of your family already own(s) a house, please state :-

| Location with address | Plinth area (Floor-wise) | Present fair market value Rs. | Reasons for acquiring another house or enlarging the existing house. |
|-----------------------|--------------------------|-------------------------------|--|
| | | | |

12 Have you enclosed

- (a) the relevant construction plan approved by the Municipal authority concerned and :
- (b) detailed construction estimate based on Central/State PWD schedule, prevailing in the area corrected as per relevant cost of index duly signed by a qualified Engineer. :

DECLARATION

1 I solemnly declare that the information furnished by me in reply to various items indicated above is true to the best of my knowledge and belief.

2 I have read the rules regulating the grant of advances to Central Government Servants for purchase of land and purchase/construction of building, etc., and agree to abide by the terms and conditions stipulated therein.

3 I certify that-*

(i) my wife/husband is not a central Government servant, my wife/husband who is a Central Government servant, has not applied for and/or obtained an advance under these rules.

(ii) neither I nor my wife/husband /minor child has applied for and/or obtained any loan or advance for acquisition of a house in the past from any Government source (i.e.Ministry of Rehabilitation or under any Central or state Housing Scheme .)

(iii) the construction of the house for which the advance has been applied for, has not yet been commenced.

Station :

Signature of the Applicant.

Date :

Designation :

Office :

(*Strike out the alternative(s) not applicable.

PERSONAL BOND

KNOW ALL MEN BY THESE PRESENTS that I,
_____ son of Shri _____
(hereinafter referred to as 'the Bounden') am held and firmly bound unto the President of India exercising the executive power of the Government of India (hereinafter referred to as 'the Government') in the sum of Rs. _____ to be paid to the Government for which payment will and truly to be made, I bind myself, my heirs, executors, administrators and legal representatives by these presents.

SIGNED the _____ day of _____, 200

WHEREAS THE BOUNDEN applied to the Government for loan of Rs. _____ (Rupees _____) (herein referred to as 'the said loan') for the purpose of purchase/construction of a residential flat in the building/society known as and situated at _____ and more particularly described in the Schedule hereunder written and which building is to be transferred shortly to the _____ Society Ltd., a Co-operative Society having its registered office at _____ (hereinafter referred to as 'the Society') which has been duly sanctioned by the Government on the terms and conditions inter alia that the Bounden do execute in favour of the Government a bond in the manner hereinafter contained.

NOW THIS BOND IS CONDITIONED TO BE VOID if the Bounden –

- (a) duly pays to the Government the said sum of Rs. _____ within a period of ____ years from the _____ day of _____, 200 and the subsequent installments to be paid in the first week of each equal calendar month, the first of such installments to be paid in the first week of _____, 20 and the subsequent installments to be paid in the first week of each and every succeeding calendar month thereafter and after the Bounden had paid the principal amount of the said loan in regular installments as hereinafter provided, the Bounden duly pays to the Government within a further period of _____ years thereafter the amount of interest on the diminishing balances of the said

loan until payment at the rate of _____ percent , per annum such interest to be paid by _____ equal monthly installments of Rs. _____ each to the interest that the entire loan and interest thereon shall be repaid within a period of _____ years from the _____ day of _____, 20____ provided, however, that if the Bounden fails to pay any installments of principal and/or interest on its due date, then and in every such case the amount of such installment of principal or interest so in arrears shall bear such higher rate of interest at the rate of _____ percent, per annum and the amount of the each of the said installments of interest shall be proportionately increased PROVIDED FURTHER that nothing herein contained shall be construed as a relaxation of the Bounden's obligation to duly and punctually pay the said installments of principal and interest on their respective due dates or otherwise prejudice any right or remedy of the Government.

- (b) Within one month from the date of these presents utilizes the amount of each installment of the said loan in the purchase/construction of residential flat in the building known as _____ and situated at _____ and more particularly described in the Schedule hereunder written.
- (c) On transfer being executed in favour of the Bounden of the house or plot, he would mortgage it to the Government of India as security for the loan obtained from the Government of India.
- (d) Does not transfer, assign, underlet the said flat or any interest therein or part with possession thereof* or transfer or otherwise alienate the said shares/debentures without the previous consent in writing of the Government.
- (e) *So long as the said loan and interest or any part thereof outstanding and if so required by the Government hand over the said shares/debentures of the society to the Government along with properly signed blank transfer forms as further security for the said loan:

* Applicable only to the flats purchased in a building owned by Co-Operative Housing Society.

IT IS HEREBY AGREED BY THE BOUNDEN as under :-

(1) The said loan or the balance thereof for the time being due by the Bounden to the Government and all other moneys due under these presents, shall become immediately payable in each and every of the following events:

- (a) If the Bounden fails to pay any installment of repayment of principal on its due date as and when it may become due and payable.
- (b) If the Bounden makes default in payment of any installment of interest on its due date as hereinabove provided.
- (c) If any distress or execution shall be levied upon any property of the Bounden or a receiver thereof be appointed.
- (d) If the Bounden commits a breach of any one of the said covenants or provisions and on his part to be observed and performed.
- (e) If the Bounden dies or retires from or ceases to be in the service of the Government.
- (f) If the Bounden presents a petition for being adjudged insolvent or is adjudicated insolvent.

2. Government shall have the absolute right and full liberty to deduct every month from the Bounden's salary the amount of monthly installments and appropriate the same towards the said monthly installments in repayment of principal and interest and for the purpose aforesaid the Bounden hereby irrevocably authorise the Government to take such deductions without the necessity of any further consent or concurrence of the Bounden.

3. In the event of the retirement or death before retirement of the Bounden, Government will be entitled to recover the entire unpaid balance of the said loan remaining unpaid at the time of such retirement or death and all unpaid interest thereon from the gratuity, if any, that may be sanctioned to the Bounden under the service rules applicable to him.

4. Whenever any installment of the principal or interest or any other sum due and payable by the Bounden under these presents shall be in arrears, Government shall be entitled to recover the same as an arrears of land revenue PROVIDED ALWAYS THAT this clause shall not affect any other rights, powers and remedies of the Government.

IN WITNESSES WHEREOF the Bounden above mentioned has hereto set his hand the day and year first hereinabove written.

THE SCHEDULE ABOVE REFERRED TO

SIGNED AND DELIVERED BY)
SHRI _____)
THE BOUNDEN WITHIN NAMED)

IN THE PRESENCE OF

1st Witness:

Signature: _____

Name: _____

Designation: _____

Office Address: _____

2nd Witness:

Signature: _____

Name: _____

Designation: _____

Office Address: _____

FORM No. 3

**Form of Mortgage Deed to be executed when the property is freehold
[Rule 5 (a)]**

This Indenture made this _____ day of _____, two thousand _____ and _____ between _____ son/daughter of _____ at present employed as _____ in the Ministry / Office of _____ at _____ (hereinafter called "The Mortgagor" which expression shall unless excluded by or repugnant to the subject or context, include his/her heirs, executors, administrators and assigns) of the ONE PART and THE PRESIDENT OF INDIA (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 owners 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)(NI) to purchase land and to construct a house thereon or (to enlarge living accommodation in the existing house on the said hereditaments);
- (2)(NI) to construct a house on the said hereditaments or (to enlarge living accommodation in the house on the said hereditaments);
- (3)(NI) to purchase a ready-built aforesaid house/flat.

AND WHEREAS the Mortgagee agreed to advance to the Mortgagor the said sum of Rs. _____ (insert full amount) *vide* the Ministry /Office Letter No. _____ dated _____ a copy of which is annexed to these presents for the purpose aforesaid on the terms and conditions set forth therein, etc.

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 "Rules to regulate the grant of advances to Central Government servants for building, etc., of houses" issued by the Government of India, Min. of Works, Housing and Supply with his/her O.M. No.H.II-27 (5)/54, dated the 12th April, 1956 (hereinafter referred to as the "said Rules" which expression 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

(N1)[has sanctioned to the MORTGAGOR an advance of Rs. _____ (Rupees _____ only) on _____] and in the manner provided in the said Rules upon 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 the aforesaid advance in the following installments: -

(N1)Rs. _____ already received on _____.

(N1)Rs. _____ on the execution of this indenture by the Mortgagor in favour of the Mortgagee.

(N2)Rs. _____ when the construction of the house reaches plinth level.

(N2)(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 complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.)

NOW THIS INDENTURE WITNESSETH as follows: -

(1)(a) (N3) In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by Mortgagee to the MORTGAGOR pursuant to the provisions contained in the said Rules the MORTGAGOR DO 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 (N4) _____ monthly installments of Rs. _____ (Rupees _____ only) from the pay of the MORTGAGOR commencing from the month of _____, two thousand and _____ or from the month following the completion of the house, whichever is earlier, and the MORTGAGOR hereby authorises the Mortgagee to make deductions fro his/her monthly pay/leave salary/subsistence allowance of the amount of such installments and the MORTGAGOR shall after paying the full amount of the advance also pay interest due thereon in (N5) _____ monthly installments 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 the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and costs and 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.

- (1)(b) (N3) 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 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 installments of Rs. _____ from the pay of the Mortgagor commencing from the month of _____, 20____ or from the month following the completion of the house, whichever is earlier, till the date of his superannuation and then the balance remaining outstanding on his superannuation together with the interest on the amount advanced from the date of the advance to the date of repayment from his gratuity /death-cum-retirement gratuity and the Mortgagor hereby authorizes the Mortgagee to make deductions from his monthly pay/leave salary/subsistence allowance of the amount of installments and from his gratuity/death-cum-retirement gratuity of such of the balances remaining unpaid at the date of his death/retirement/superannuation as hereinbefore mentioned, failing which the Mortgagee shall be entitled to enforce this security of the Omortgage at any time thereafter and recover the balance of the advancement 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.

- (2) If the MORTGAGOR shall utilize the advance for a purpose other than that for which the advance is sanctioned or if the MORTGAGOR MORTAGAGOR shall become insolvent or shall cease to be in service for any reason other than normal retirement, superannuation or if he/she dies before repayment 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 (N6)_____ per cent per annum calculated from the date of the payment by the MORTGAGEE of the first installment of the said advance. Notwithstanding anything contained herein, the Principal Mortgagor utilizes the advance for a purpose other than that for which the advance is sanctioned, it shall be open to the Mortgagee to take such disciplinary action against the MORTGAGOR as may be appropriate under the Rules of Service applicable to the principal Mortgagor.
- (3) In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest shall at any time or times hereinafter be due to the MORTGAGEE as per the terms of these presents the MORTGAGOR do hereby grant. Convey, transfer, assign and assure unto 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 or any of them belonging TO HOLD the said Mortgaged property with his/her appurtenances including all erections and building erected and built or to be erected and built hereafter on the said Mortgaged property or materials for the time being thereon unto and to the use of the Mortgagagee absolutely for ever free from all encumbrances. SUBJECT NEVERTHELESS to the Proviso for redemption hereinafter contained NAMELY that if the MORTGAGOR shall duly pay to the MORTGAGEE the said principal sum and interest hereby secured in the manner therein provided and also the other moneys (if any) determined to be payable by the MORTAGORS to the MORTAGEE 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 unto and to the use of the Mortgagor or as they may direct.

(4) 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 therein contained or if the MORTGAGOR shall become insolvent or shall ceased 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 an in any of such cases it shall be lawful, for the MORTGAGEE without intervention of the Court 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 but in or rescind any contract for sale and resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts ad 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 money 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 tie being owing on the Security of these presents and the balance, if any, to be paid to the Mortgagor.

(5) The MORTGAGOR hereby covenant with the MORTGAGEE as follows:-

(a) That the MORTGAGOR now has in himself/herself good and lawful authority to grant, convey, transfer, assign and assure MORTGAGED property unto and to the use of the MORTGAGEE in manner aforesaid.

(b) (N6) That the MORTGAGOR shall carry out the construction of the house/addition 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 installments 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 to the MORTGAGEE. That the construction has reached plinth/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 together with interest thereon at (N7)_____ per cent per annum and further will also be liable to appropriate disciplinary action under the rules of service applicable to the MORTGAGOR.

- (c) (N6) That the MORTGAGOR shall complete the construction of the house/additions to living accommodation in the aforesaid house within eighteen months of (N8)_____ unless an extension of time is allowed in writing by Mortgagee. In case of default, the Principal 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 that the full amount of the advance has been utilized for the purpose for which it was sanctioned.
- (d) That the Mortgagor shall immediately insure the house at his/her own cost, with the Life Insurance Corporation of India, for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss 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 then be required to 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 Insurer, 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/her 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 resents charge, encumber, alien, or otherwise dispose of the Mortgaged property. However, if the Mortgagor covenant to create a second mortgage in favour of any other financial institution, they shall not do so without obtaining the prior permission of the Mortgagee and on the consent being given, the draft, of the second mortgage will be submitted to the Mortgagee for approval.

Provided, always that in the event of the Mortgagor creating a second Mortgage on the same premises only by deposit of title deeds in favour of a financial institution including HDFC or a Bank, the Mortgagee may, at the written request of the Mortgagor and the financial institution concerned to this Mortgagee, handover such documents of title to the said premises as are in possession of the Mortgagee, to the said financial institution for the sole purpose of creating the said proposed second Mortgage.

It is a strict condition that before the said documents of title are handed over by the Mortgagee to the said financial institution as hereinbefore provided that the said financial institution and the Mortgagor shall assure and undertake to the Mortgagee in writing in such form as may be determined by this Mortgagee that –

- (i) the said documents of title shall be held and retained by the financial institution concerned only as a second Mortgage subject and subordinate to the rights of this Mortgagee hereunder;
- (ii) the said financial institution shall not at any time or for any reason part with such title deeds without written consent of this Mortgagee first had and obtained and on such conditions as may be imposed by this Mortgagee at its discretion;
- (iii) after at any time, the said financial institution ceases to be second Mortgagee of the said premises, the said financial institution shall be obliged to return the said title deeds to

- this Mortgagee only, whether or not any demand in this behalf is made by this Mortgagee;
- (iv) the said financial institution shall produce or cause to be produced the said title deeds as and when required by this Mortgagee for any reason whatsoever regardless of whether the said proposed second Mortgage due to be in existence of otherwise discharged; this will be in the understanding that as soon as the purpose is served, the same shall be returned by the Mortgagee to the financial institution, to be dispensed subject to these conditions;
 - (v) nothing in these provisions shall be construed to create any financial or other obligations or liabilities in this mortgagee *vis-à-vis* the said financial institution or shall in any manner alter, abridge or abrogate the rights of this Mortgagee hereunder, who shall always be and continue to be the paramount Mortgagee.

Notwithstanding anything contained herein, the Mortgagee shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of the retirement or death preceding retirement of the Mortgagor from the whole or any specified part of the gratuity that may be sanctioned to the Mortgagor.

SCHEDULE ABOVE REFERRED TO
(To be filled in by Mortgagor)

IN WITNESS WHEREOF THE MORTGAGOR has hereunto set his hand

Signed by the said Mortgagor _____

In the presence of

1st witness :

Address :

Occupation :

2nd witness :

Address :

Occupation :

Signed by Shri _____ in the Ministry of
_____ for and on behalf of and by order and
direction of the President of India.

Signed by Shri _____

In the presence of

1st Witness :

Address :

Occupation :

2nd Witness :

Address :

Occupation :

NOTES

- (N1) Mention whatever is applicable
- (N2) The language will be modified if the mode of payment of advance is different from what is prescribed in Rule 5.
- (N3) Delete Clause (1) (a) or (1)(b) whatever is not applicable.
- (N4) This will not be more than 180.
- (N5) This will not be more than 60.
- (N6) Clauses 5(b) & 5(c) are not applicable when the advance is for the purchase of ready built houses/flats or for repayments of loans taken by an Mortgagor for the construction or purchase of a house/flat.
- (N7) Normal rate of interest to be charged under the said Rules.
- (N8) Here mention the date on which the first installment of the advance is paid to the mortgagor.

FORM No. 3-A
Form of Mortgage Deed to be executed when the property is
freehold and is held in the joint names of husband and wife
[Rule 5 (a)]

This Indenture made this _____ day of _____, two thousand and _____ between Shri/Smt. _____ son/wife of _____ at present employed as _____ in the Ministry / Office of _____ at _____ and Shri/Smt. _____ his/her wife/husband (hereinafter jointly referred to as “The Mortgagors” which expression shall unless excluded by or repugnant to the subject or context, include their respective heirs, executors, administrators and assigns) of the ONE PART and THE PRESIDENT OF INDIA (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 MORTGAGORS are the sole and absolute and sole beneficial owners and are 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 _____ one of the Mortgagors (herein referred to as Applicant Mortgagor) applied to the MORTGAGEE for an advance of Rs. _____ (Rupees _____ only) for the purpose of enabling the SAID APPLICANT MORTGAGOR-

(N1)(1) to purchase land and to construct a house thereon or (to enlarge living accommodation in the existing house on the said hereditaments);

(N1)(2) to construct a house on the said hereditaments or (to enlarge living accommodation in the house on the said hereditaments);

(N1)(3) to purchase a ready-built aforesaid house/flat.

AND WHEREAS the Mortgagee agreed to advance to the Mortgagor the said sum of Rs. _____ (insert full amount) *vide* the Ministry /Office Letter No. _____ dated _____

_____ a copy of which is annexed to these presents for the purpose aforesaid on the terms and conditions set forth therein, etc.

AND WHEREAS one of the conditions for the aforesaid advance is that the Mortgagors should secure the repayment of the said advance and due observance of all the terms and conditions contained in the "Rules to regulate the grant of advances to Central Government servants for building, etc., of houses" issued by the Government of India, Min. of Works, Housing and Supply with their O.M. No.H.II-27 (5)/54, dated the 12th April, 1956 (hereinafter referred to as the "said Rules" which expression 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

(N1)(has sanctioned to he APPLICANT MORTGAGOR an advance of Rs. _____ (Rupees _____ only) on _____) and in the manner provided in the said Rules upon 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 APPLICANT MORTGAGOR is to receive from the Mortgagee the aforesaid advance in the following Installments: -

(N1)Rs. _____ already received on _____.

(N1)Rs. _____ on the execution of this indenture by the Mortgagors in favour of the Mortgagee.

(N2)Rs. _____ when the construction of the house reaches plinth level.

(N2)(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 complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.)

NOW THIS INDENTURE WITNESSETH as follows: -

- (i) (a)(N3) In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by Mortgagee to the APPLICANT MORTGAGOR pursuant to the provisions contained in the said Rules

the MORTGAGORS DO hereby covenant with the MORTGAGEE that the MORTGAGORS 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 (N4) _____ monthly Installments of Rs. _____ (Rupees _____ only) from the pay of the APPLICANT commencing from the month of _____ two thousand and _____ or from the month following the completion of the house, whichever is earlier, and the APPLICANT hereby authorizes the Mortgagee to make deductions from his/her monthly pay/leave salary/subsistence allowance of the amount of such Installments and the APPLICANT MORTGAGOR shall after paying the full amount of the advance also pay interest due thereon in (N5) _____ monthly Installments in the manner and on the terms specified in the said Rules, provided that the APPLICANT 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 the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and costs and 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 APPLICANT MORTGAGOR, to repay the amount in a shorter period.

- (i) (b)(N3) In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by the MORTGAGEE to the APPLICANT MORTGAGOR pursuant to the provisions contained in the said Rules the APPLICANT MORTGAGOR DO/DOES hereby covenant with Mortgagee that the APPLICANT 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 _____) by _____ monthly installments of Rs. _____ from the month of _____, 20 _____ or from the month following the completion of the house, whichever is earlier, till the date of his superannuation and then the balance remaining outstanding on his superannuation together with the interest on the amount advanced from the date of the advance to the date of repayment from his gratuity /death-cum-retirement gratuity and the applicant Mortgagee hereby authorizes the Mortgagee to make deductions from his monthly pay/leave salary/subsistence allowance of the amount of Installments and from his gratuity/death-cum-retirement gratuity of such of the balances remaining unpaid at the date of his

death/retirement/superannuation as hereinbefore mentioned, failing which the Mortgagee shall be entitled to enforce this security of the mortgage at any time thereafter and recover the balance of the advancement 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 APPLICANT MORTGAGOR to repay the amount in a shorter period.

- (ii) If the APPLICANT MORTGAGOR shall utilize the advance for a purpose other than that for which the advance is sanctioned or if the APPLICANT 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 repayment of the advance in full, or if the APPLICANT 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 (N6)_____ per cent per annum calculated from the date of the payment by the MORTGAGEE of the first installment of the said advance. Notwithstanding anything contained herein, the Principal Mortgagor utilizes the advance for a purpose other than that for which the advance is sanctioned, it shall be open to the Mortgagee to take such disciplinary action against the APPLICANT MORTGAGOR as may be appropriate under the Rules of Service applicable to the principal Mortgagor.
- (iii) In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest shall at any time or times hereinafter be due to the MORTGAGEE as per the terms of these presents the MORTGAGORS do hereby grant. Convey, transfer, assign and assure unto 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 MORTGAGORS on the said Mortgaged property or materials for the time being thereon with all rights, easements and appurtenances to the said Mortgaged property or any of them belonging TO HOLD the said Mortgaged property with their appurtenances including all erections and building erected and built or to be erected and built hereafter on the said Mortgaged property or materials for the time being thereon unto and to the use of the Mortgagee absolutely for ever free from all encumbrances. SUBJECT NEVERTHELESS to the

Proviso for redemption hereinafter contained NAMELY that if the MORTGAGORS shall duly pay to the MORTGAGEE the said principal sum and interest hereby secured in the manner therein provided and also the other moneys (if any) determined to be payable by the MORTGAGORS 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 MORTGAGORS recover, retransfer and reassure the said Mortgaged property unto and to the use of the Mortgagors or as they may direct.

- (iv) AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that if there shall be any breach by the MORTGAGORS of the covenants on their part therein contained or if the APPLICANT MORTGAGOR shall become insolvent or shall ceased 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 an in any of such cases it shall be lawful, for the MORTGAGEE without intervention of the Court 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 but in or rescind any contract for sale and resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts ad 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 money 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 tie being owing on the Security of these presents and the balance, if any, to be paid to the Mortgagors.
- (v) The MORTGAGORS hereby covenant with the MORTGAGEE as follows:-
 - a. That the MORTGAGORS now have in themselves good and lawful authority to grant, convey, transfer, assign and assure MORTGAGED property unto and to the use of the MORTGAGEE in manner aforesaid.

- b. (N7) That the APPLICANT MORTGAGOR shall carry out the construction of the house/addition 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 therefrom is permitted by the Mortgagee. The APPLICANT MORTGAGOR shall certify, when applying for Installments 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 to the MORTGAGEE. That the construction has reached plinth/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 APPLICANT MORTGAGOR, he/she will be liable to pay to the Mortgagee forthwith the entire advance received by him/her together with interest thereon at (N6)_____ per cent per annum and further will also be liable to appropriate disciplinary action under the rules of service applicable to the APPLICANT MORTGAGOR.
- c. (N7) That the APPLICANT MORTGAGOR shall complete the construction of the house/additions to living accommodation in the aforesaid house within eighteen months of (N8)_____ unless an extension of time is allowed in writing by Mortgagee. In case of default, the Principal Mortgagor shall be liable to repay forthwith the entire amount advanced to him together with interest calculated under the said Rules in one lumpsum. The APPLICANT MORTGAGOR shall report to the Mortgagee that the full amount of the advance has been utilized for the purpose for which it was sanctioned.
- d. That the mortgagors shall immediately insure the house at their own cost, with the Life Insurance Corporation of India, for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss 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 Mortgagors shall pay regularly the premium in respect of the said insurance from time to time and will then be required to produce to the MORTGAGEE the premium receipts for inspection. In the event of failure on the part of the MORTGAGORS 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

MORTGAGORS and add the amount of the premium to the outstanding amount of the advance and the APPLICANT 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 MORTGAGORS shall give a letter to the Mortgagee as often as required, addressed to the Insurer, 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 Mortgagors shall maintain the aforesaid house in good repair at their 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 Mortgagors shall also furnish to the Mortgagee an annual certificate to the above effect.
- f. The Mortgagors 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 APPLICANT 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 Mortgagors shall not during the continuance of these resents charge, encumber, alien, or otherwise dispose of the Mortgaged property. However, if the Mortgagors covenant to create a second mortgage in favour of any other financial institution, they shall not do so without obtaining the prior permission of the Mortgagee and on the consent being given, the draft, of the second mortgage will be submitted to the Mortgagee for approval.

Provided, always that in the event of the Mortgagors creating a second Mortgage on the same premises only by deposit of title deeds in favour of a financial institution including HDFC or a Bank, the Mortgagee may, at the written request of the Mortgagor and the financial institution concerned to this Mortgagee, handover such documents of title to the said premises as are in possession of the

Mortgagee, to the said financial institution for the sole purpose of creating the said proposed second Mortgage.

It is a strict condition that before the said documents of title are handed over by the Mortgagee to the said financial institution as hereinbefore provided that the said financial institution and the Mortgager shall assure and undertake to the Mortgagee in writing in such form as may be determined by this Mortgagee that –

1. the said documents of title shall be held and retained by the financial institution concerned only as a second Mortgage subject and subordinate to the rights of this Mortgagee hereunder;
2. the said financial institution shall not at any time or for any reason part with such title deeds without written consent of this Mortgagee first had and obtained and on such conditions as may be imposed by this Mortgagee at its discretion;
3. after at any time, the said financial institution ceases to be second Mortgagee of the said premises, the said financial institution shall be obliged to return the said title deeds to this Mortgagee only, whether or not any demand in this behalf is made by this Mortgagee;
4. the said financial institution shall produce or cause to be produced the said title deeds as and when required by this Mortgagee for any reason whatsoever regardless of whether the said proposed second Mortgage due to be in existence of ootherwise discharged; this will be in the understanding that as soon as the purpose is served, the same shall be returned by the Mortgagee to the financial institution, to be dispensed subject to these conditions;
5. nothing in these provisions shall be construed to create any financial or other obligations or liabilities in this mortgagee *vis-à-vis* the said financial institution or shall in any manner alter, abridge or abrogate the rights of this Mortgagee hereunder, who shall always be and continue to be the paramount Mortgagee.
 - i. Notwithstanding anything contained herein, the Mortgagee shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of the retirement or death preceding retirement of the Applicant Mortgagor from the whole or any specified part of the gratuity that may be sanctioned to the Mortgagor.

SCHEDULE ABOVE REFERRED TO
(To be filled in by Mortgagors)

IN WITNESS WHEREOF THE MORTGAGORS have hereunto set their hands.

Signed by the Mortgagors 1. _____
2. _____

In the presence of

1st witness :

Address :

Occupation :

2nd witness :

Address :

Occupation :

FOR WITNESS THEREOF Shri _____ in the Ministry of _____ for and on behalf of and by order and directions of the President of India has signed this present.

Signed by Shri _____

In the presence of

1st Witness :

Address :

Occupation :

2nd Witness :

Address :

Occupation :

NOTES

- (N1) Mention whatever is applicable
- (N2) The language will be modified if the mode of payment of advance is different from what is prescribed in Rule 5.
- (N3) Delete Clause (i) (a) or (i)(b) whatever is not applicable.
- (N4) This will not be more than 180,
- (N5) This will not be more than 60.
- (N6) Normal rate of interest to be charged under the said Rules.
- (N7) Clauses (v) (b) & (v) (c) are not applicable when the advance is for the purchase of ready built houses/flats or for repayments of loans taken by an Mortgagor for the construction or purchase of a house/flat.
- (N8) Here mention the date on which the first installment of the advance is paid to the mortgagor.

FORM No. 4

**Form of Mortgage Deed to be executed when the property is leasehold
[Rule 5 (a)]**

This Indenture made this _____ day of _____, two thousand and _____ between _____ son/daughter of _____ at present employed as _____ in the Ministry / Office of _____ at _____ (hereinafter called "The Mortgagor" which expression shall unless excluded by or repugnant to the subject or context, include his/her heirs, executors, administrators and assigns) of the ONE PART and THE PRESIDENT OF INDIA (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 by a lease deed, dated _____ and made between _____ and _____, the Lessor demised to the Mortgagor the property situated at _____ and more particularly described in the Schedule hereunder written for a term of _____ years commencing from _____ at the yearly/monthly rent of Rs. _____ and subject to the performance and observance of the covenants and conditions therein mentioned.

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

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

(2)(NI) to construct a house on the said hereditaments or (to enlarge living accommodation in the house on the said hereditaments);

(3)(NI) to purchase a ready-built aforesaid house/flat.

AND WHEREAS the Mortgagee agreed to advance to the Mortgagor the said sum of Rs. _____ (insert full amount) *vide* the Ministry /Office Letter No. _____ dated _____ a copy of which is annexed to these presents for the purpose aforesaid on the terms and conditions set forth therein, etc.

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 “Rules to regulate the grant of advances to Central Government servants for building, etc., of houses” issued by the Government of India, Min. of Works, Housing and Supply with his/her O.M. No.H.II-27 (5)/54, dated the 12th April, 1956 (hereinafter referred to as the “said Rules” which expression 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

(N1) has sanctioned to the MORTGAGOR an advance of Rs. _____ (Rupees _____ only) payable by such installments and in the manner as hereinafter appearing.

(N1)[has paid to the MORTGAGOR an advance of Rs. _____ (Rupees _____ only) on _____] and in the manner provided in the said Rules upon 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 the aforesaid advance in the following installments: -

(N1)Rs. _____ already received on _____.

(N1)Rs. _____ on the execution of this indenture by the Mortgagor in favour of the Mortgagee.

(N2)Rs. _____ when the construction of the house reaches plinth level.

(N2)(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 complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.)

(N3)AND WHEREAS the lessor of the said premises has given his approval for the mortgage on the condition that if the property be sold under the powers herein contained, or otherwise he will be paid first, after the cost of such sale, his share of the unearned increase as provided in the said lease.

NOW THIS INDENTURE WITNESSETH as follows: -

(1)(a) (N4) In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by Mortgagee to the MORTGAGOR pursuant to the provisions contained in the said Rules the MORTGAGOR DO 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 (N5) _____ monthly installments of Rs. _____ (Rupees _____ only) from the pay of the MORTGAGOR commencing from the month of _____, two thousand and _____ or from the month following the completion of the house, whichever is earlier, and the MORTGAGOR hereby authorises the Mortgagee to make deductions fro his/her monthly pay/leave salary/subsistence allowance of the amount of such installments and the MORTGAGOR shall after paying the full amount of the advance also pay interest due thereon in (N6) _____ monthly installments 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 the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and costs and 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.

(1)(b) (N4) 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 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 installments of Rs. _____ from the pay of the Mortgagor commencing from the month of _____, 20____ or from the month following the completion of the house, whichever is earlier, till the date of his superannuation and then the balance remaining outstanding on his superannuation together with the interest on the amount advanced from the date of the advance to the date of repayment from his gratuity /death-cum-retirement gratuity and the Mortgagor hereby authorizes the Mortgagee to make deductions from his monthly pay/leave salary/subsistence allowance of the amount of

installments and from his gratuity/death-cum-retirement gratuity of such of the balances remaining unpaid at the date of his death/retirement/superannuation as hereinbefore mentioned, failing which the Mortgagee shall be entitled to enforce this security of the mortgage at any time thereafter and recover the balance of the advancement 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.

- (2) If the MORTGAGOR shall utilize the advance for a purpose other than that for which the advance is sanctioned or if the MORTGAGOR MORTAGAGOR shall become insolvent or shall cease to be in service for any reason other than normal retirement, superannuation or if he/she dies before repayment 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 (N7) _____ per cent per annum calculated from the date of the payment by the MORTGAGEE of the first installment of the said advance. Notwithstanding anything contained herein, the Principal Mortgagor utilizes the advance for a purpose other than that for which the advance is sanctioned, it shall be open to the Mortgagee to take such disciplinary action against the MORTGAGOR as may be appropriate under the Rules of Service applicable to the principal Mortgagor.
- (3) In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest shall at any time or times hereinafter be due to the MORTGAGEE as per the terms of these presents the MORTGAGOR do hereby grant. Convey, transfer, assign and assure unto the MORTGAGEE ALL AND SINGULAR the said property comprised in the said Lease, dated _____ and more particularly described in the Schedule hereunder written together with buildings erected or to be erected by the MORTGAGOR on the said property (hereinafter referred to as the Mortgaged property) or materials for the time being thereon with all rights, easements and appurtenances to the said Mortgaged property or any of them belonging TO HOLD the said Mortgaged property with his/her appurtenances including all erections and building erected and built or to be erected and built hereafter on the said Mortgaged property or materials for the time being thereon unto and to the use of the Mortgagee absolutely for ever free from all encumbrances. SUBJECT NEVERTHELESS to the Proviso for redemption hereinafter contained

NAMELY that if the MORTGAGOR shall duly pay to the MORTGAGEE the said principal sum and interest hereby secured in the manner therein provided and also the other moneys (if any) determined to be payable by the MORTGAGORS 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 unto and to the use of the Mortgagor or as they may direct.

(4) 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 therein contained or if the MORTGAGOR shall become insolvent or shall ceased 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 an in any of such cases it shall be lawful, for the MORTGAGEE without intervention of the Court 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 but in or rescind any contract for sale and resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts ad 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 money 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 (N8)(and in the next place to pay to _____ the lessor of the Mortgaged property _____ 50 per cent of the unearned increase pursuant to clause _____ of the said lease) and then to pay moneys in or towards the satisfaction of the moneys for the tie being owing on the Security of these presents and the balance, if any, to be paid to the Mortgagor.

(5) (N9) In the event of the sale or foreclosure of the Mortgaged or charged property, the lessor (President of India) shall be entitled to claim and recover fifty per cent of the unearned increase in the value of the residential plot as aforesaid and the amount of the Lessor's share of the said unearned increases shall be the first charge, having priority over the said mortgage or charge. The decision of the Lessor in respect of the market value of the said residential plot shall be final and binding on all parties concerned provided that the lessor shall have the pre-emptive

right to purchase the mortgaged or charged property after deducting fifty per cent of the unearned increase as aforesaid.

(6) The MORTGAGOR hereby covenant with the MORTGAGEE as follows:-

- (a) That the MORTGAGOR now has in himself/herself good and lawful authority to grant, convey, transfer, assign and assure MORTGAGED property unto and to the use of the MORTGAGEE in manner aforesaid.
- (b) (N10) That the MORTGAGOR shall carry out the construction of the house/addition 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 installments 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 to the MORTGAGEE. That the construction has reached plinth/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 together with interest thereon at (N7)_____ per cent per annum and further will also be liable to appropriate disciplinary action under the rules of service applicable to the MORTGAGOR.
- (c) (N10) That the MORTGAGOR shall complete the construction of the house/additions to living accommodation in the aforesaid house within eighteen months of (N11)_____ unless an extension of time is allowed in writing by Mortgagee. In case of default, the Principal 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 that the full amount of the advance has been utilized for the purpose for which it was sanctioned.
- (d) That the Mortgagor shall immediately insure the house at his/her own cost, with the Life Insurance Corporation of India, for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss 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 then be required to 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 MORTGAGOR 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 MORTGAGOR 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 Insurer, 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/her 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 said lease, dated _____ is now valid and subsisting lease of the said Mortgaged property and are in no wise void or voidable and the rents and the covenants and conditions in and by the indenture of Lease referred have been paid, performed and observed up to the date of these presents and that the same is assignable in the manner hereinbefore stated.
- (i) That the MORTGAGOR will so long as any money shall remain owing on security of the said Mortgaged property hereinbefore expressed to be hereby assigned and in any case for the period of the said agreement, duly observe all the covenants by the Lease and conditions contained in the Indenture Of Lease referred to in the Schedule hereunder written and keep the Mortgagee indemnified against all actions, suits, proceedings, costs, charges, claims and demands which will be incurred or sustained by

reason of the non-payment of the said rent or the breach, non-performance or non-observance of the said covenants and conditions or any of them.

- (j) That the Mortgagor shall not during the continuance of these resents charge, encumber, alien, or otherwise dispose of the Mortgaged property. However, if the Mortgagor covenant to create a second mortgage in favour of any other financial institution, they shall not do so without obtaining the prior permission of the Mortgagee and on the consent being given, the draft, of the second mortgage will be submitted to the Mortgagee for approval.

Provided, always that in the event of the Mortgagor creating a second Mortgage on the same premises only by deposit of title deeds in favour of a financial institution including HDFC or a Bank, the Mortgagee may, at the written request of the Mortgagor and the financial institution concerned to this Mortgagee, handover such documents of title to the said premises as are in possession of the Mortgagee, to the said financial institution for the sole purpose of creating the said proposed second Mortgage.

It is a strict condition that before the said documents of title are handed over by the Mortgagee to the said financial institution as hereinbefore provided that the said financial institution and the Mortgager shall assure and undertake to the Mortgagee in writing in such form as may be determined by this Mortgagee that –

- (i) the said documents of title shall be held and retained by the financial institution concerned only as a second Mortgage subject and subordinate to the rights of this Mortgagee hereunder;
- (ii) the said financial institution shall not at any time or for any reason part with such title deeds without written consent of this Mortgagee first had and obtained and on such conditions as may be imposed by this Mortgagee at its discretion;
- (iii) after at any time, the said financial institution ceases to be second Mortgagee of the said premises, the said financial institution shall be obliged to return the said title deeds to this Mortgagee only, whether or not any demand in this behalf is made by this Mortgagee;
- (iv) the said financial institution shall produce or cause to be produced the said title deeds as and when required by this Mortgagee for any reason whatsoever regardless of whether the said proposed second Mortgage due to be in existence of otherwise discharged; this will be in the understanding that as soon as the purpose is served, the same shall be returned

by the Mortgagee to the financial institution, to be dispensed subject to these conditions;

- (v) nothing in these provisions shall be construed to create any financial or other obligations or liabilities in this mortgagee *vis-à-vis* the said financial institution or shall in any manner alter, abridge or abrogate the rights of this Mortgagee hereunder, who shall always be and continue to be the paramount Mortgagee.

Notwithstanding anything contained herein, the Mortgagee shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of the retirement or death preceding retirement of the Mortgagor from the whole or any specified part of the gratuity that may be sanctioned to the Mortgagor.

SCHEDULE ABOVE REFERRED TO
(To be filled in by Mortgagor)

IN WITNESS WHEREOF THE MORTGAGOR has hereunto set his hand

Signed by the said Mortgagor _____

In the presence of

1st witness :

Address :

Occupation :

2nd witness :

Address :

Occupation :

Signed by Shri _____ in the Ministry of
_____ for and on behalf of and by order and
direction of the President of India.

Signed by Shri _____

In the presence of

1st Witness :

Address :

Occupation :

2nd Witness :

Address :

Occupation :

NOTES

- (N1) Mention whatever is applicable
- (N2) The language will be modified if the mode of payment of advance is different from what is prescribed in Rule 5.
- (N3) This applies to Nazul lands (normally) to be inserted, wherever applicable.
- (N4) Delete Clause (1) (a) or (1)(b) whatever is not applicable.
- (N5) This will not be more than 180,
- (N6) This will not be more than 60.
- (N7) Normal rate of interest to be charged under the said Rules.
- (N8) In case of Nazul lands in Delhi and in similar cases, wherever applicable.
- (N9) In the case of plots purchased from Delhi Development Authority.
- (N10) Clauses 6(b) & 6(c) are not applicable when the advance is for the purchase of ready built houses/flats or for repayments of loans taken by an Mortgagor for the construction or purchase of a house/flat.
- (N11) Here mention the date on which the first installment of the advance is paid to the mortgagor.

FORM No. 4-A
Form of Mortgage Deed to be executed when the property is
leasehold and is held in the joint names of husband and wife
[Rule 5 (a)]

This Indenture made this _____ day of _____, two thousand and _____ between Shri/Smt. _____ son/wife of _____ at present employed as _____ in the Ministry / Office of _____ at _____ and Shri/Smt. _____ his/her wife/husband (hereinafter jointly referred to as “The Mortgagors” which expression shall unless excluded by or repugnant to the subject or context, include their respective heirs, executors, administrators and assigns) of the ONE PART and THE PRESIDENT OF INDIA (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 MORTGAGORS are the sole and absolute and sole beneficial owners and are 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 _____ one of the Mortgagors (herein referred to as Applicant Mortgagor) applied to the MORTGAGEE for an advance of Rs. _____ (Rupees _____ only) for the purpose of enabling the SAID APPLICANT MORTGAGOR-

(N1)(1) to purchase land and to construct a house thereon or (to enlarge living accommodation in the existing house on the said hereditaments);

(N1)(2) to construct a house on the said hereditaments or (to enlarge living accommodation in the house on the said hereditaments);

(N1)(3) to purchase a ready-built aforesaid house/flat.

AND WHEREAS the Mortgagee agreed to advance to the Mortgagor the said sum of Rs. _____ (insert full amount) *vide* the Ministry /Office Letter No. _____ dated _____

_____ a copy of which is annexed to these presents for the purpose aforesaid on the terms and conditions set forth therein, etc.

AND WHEREAS one of the conditions for the aforesaid advance is that the Mortgagors should secure the repayment of the said advance and due observance of all the terms and conditions contained in the "Rules to regulate the grant of advances to Central Government servants for building, etc., of houses" issued by the Government of India, Min. of Works, Housing and Supply with their O.M. No.H.II-27 (5)/54, dated the 12th April, 1956 (hereinafter referred to as the "said Rules" which expression 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

(N1) has sanctioned to the MORTGAGOR an advance of Rs. _____ (Rupees _____ only) payable by such installments and in the manner as hereinafter appearing.

(N1)[has paid to the MORTGAGOR an advance of Rs. _____ (Rupees _____ only) on _____] and in the manner provided in the said Rules upon 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 APPLICANT MORTGAGOR is to receive from the Mortgagee the aforesaid advance in the following Installments: -

(N1)Rs. _____ already received on _____.

(N1)Rs. _____ on the execution of this indenture by the Mortgagors in favour of the Mortgagee.

(N2)Rs. _____ when the construction of the house reaches plinth level.

(N2)(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 complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.)

(N3)AND WHEREAS the lessor of the said premises has given his approval for the mortgage on the condition that if the property be sold under the powers herein contained, or otherwise he will be paid first, after the cost of such sale, his share of the unearned increase as provided in the said lease.

NOW THIS INDENTURE WITNESSETH as follows: -

- (i) (a)(N4) In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by Mortgagee to the APPLICANT MORTGAGOR pursuant to the provisions contained in the said Rules the MORTGAGORS DO hereby covenant with the MORTGAGEE that the MORTGAGORS 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 _____ (N5) _____ monthly Installments of Rs. _____ (Rupees _____ only) from the pay of the APPLICANT commencing from the month of _____ two thousand and _____ or from the month following the completion of the house, whichever is earlier, and the APPLICANT hereby authorizes the Mortgagee to make deductions from his/her monthly pay/leave salary/subsistence allowance of the amount of such Installments and the APPLICANT MORTGAGOR shall after paying the full amount of the advance also pay interest due thereon in (N6) _____ monthly Installments in the manner and on the terms specified in the said Rules, provided that the APPLICANT 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 the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and costs and 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 APPLICANT MORTGAGOR, to repay the amount in a shorter period.
- (i) (b)(N4) In pursuance of the said Rules and in consideration of the said advance sanctioned/paid by the MORTGAGEE to the APPLICANT MORTGAGOR pursuant to the provisions contained in the said Rules the APPLICANT MORTGAGOR DOTH hereby covenant with Mortgagee that the APPLICANT 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 _____)

by _____ monthly installments of Rs. _____ from the month of _____, 20_____ or from the month following the completion of the house, whichever is earlier, till the date of his superannuation and then the balance remaining outstanding on his superannuation together with the interest on the amount advanced from the date of the advance to the date of repayment from his gratuity /death-cum-retirement gratuity and the applicant Mortgagor hereby authorizes the Mortgagee to make deductions from his monthly pay/leave salary/subsistence allowance of the amount of Installments and from his gratuity/death-cum-retirement gratuity of such of the balances remaining unpaid at the date of his death/retirement/superannuation as hereinbefore mentioned, failing which the Mortgagee shall be entitled to enforce this security of the mortgage at any time thereafter and recover the balance of the advancement 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 APPLICANT MORTGAGOR to repay the amount in a shorter period.

- (ii) If the APPLICANT MORTGAGOR shall utilize the advance for a purpose other than that for which the advance is sanctioned or if the APPLICANT 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 repayment of the advance in full, or if the APPLICANT 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 (N7)_____ per cent per annum calculated from the date of the payment by the MORTGAGEE of the first installment of the said advance. Notwithstanding anything contained herein, the Principal Mortgagor utilizes the advance for a purpose other than that for which the advance is sanctioned, it shall be open to the Mortgagee to take such disciplinary action against the APPLICANT MORTGAGOR as may be appropriate under the Rules of Service applicable to the principal Mortgagor.
- (iii) In further pursuance of the said Rules and for the consideration aforesaid and to secure repayment of the aforesaid advance and interest shall at any time or times hereinafter be due to the MORTGAGEE as per the terms of these presents the MORTGAGORS do hereby grant. Convey, transfer, assign and assure unto the MORTGAGEE ALL AND

SINGULAR the Mortgaged property comprised in the said Lease _____ and more particularly described in the Schedule hereunder written together with buildings erected or to be erected by the MORTGAGORS on the said property (hereinafter referred to as the Mortgaged property) or materials for the time being thereon with all rights, easements and appurtenances to the said Mortgaged property or any of them belonging TO HOLD the said Mortgaged property with their appurtenances including all erections and building erected and built or to be erected and built hereafter on the said Mortgaged property or materials for the time being thereon unto and to the use of the Mortgagee absolutely for ever free from all encumbrances. SUBJECT NEVERTHELESS to the Proviso for redemption hereinafter contained NAMELY that if the MORTGAGORS shall duly pay to the MORTGAGEE the said principal sum and interest hereby secured in the manner therein provided and also the other moneys (if any) determined to be payable by the MORTAGORS to the MORTAGEE 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 MORTGAGORS recover, retransfer and reassure the said Mortgaged property unto and to the use of the Mortgagors or as they may direct.

- (iv) AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that if there shall be any breach by the MORTGAGORS of the covenants on their part therein contained or if the APPLICANT MORTGAGOR shall become insolvent or shall ceased 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 an in any of such cases it shall be lawful, for the MORTGAGEE without intervention of the Court 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 but in or rescind any contract for sale and resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts ad 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 money 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 (N8)(and in the next place to pay to _____ the

lessor of the Mortgaged property _____ 50 per cent of the unearned increase pursuant to clause _____ of the said lease) and then to pay moneys in or towards the satisfaction of the moneys for the tie being owing on the Security of these presents and the balance, if any, to be paid to the Mortgagors.

- (v) (N9) In the event of the sale or foreclosure of the Mortgaged or charged property, the lessor (President of India) shall be entitled to claim and recover fifty per cent of the unearned increase in the value of the residential plot as aforesaid and the amount of the Lessor's share of the said unearned increases shall be the first charge, having priority over the said mortgage or charge. The decision of the Lessor in respect of the market value of the said residential plot shall be final and binding on all parties concerned provided that the lessor shall have the pre-emptive right to purchase the mortgaged or charged property after deducting fifty per cent of the unearned increase as aforesaid.
- (vi) The MORTGAGORS hereby covenant with the MORTGAGEE as follows:-
- a. That the MORTGAGORS now have in themselves good and lawful authority to grant, convey, transfer, assign and assure MORTGAGED property unto and to the use of the MORTGAGEE in manner aforesaid.
 - b. (N10) That the APPLICANT MORTGAGOR shall carry out the construction of the house/addition 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 therefrom is permitted by the Mortgagee. The APPLICANT MORTGAGOR shall certify, when applying for Installments 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 to the MORTGAGEE. That the construction has reached plinth/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 APPLICANT MORTGAGOR, he/she will be liable to pay to the Mortgagee forthwith the entire advance received by him/her together with interest thereon at (N7)_____ per cent per annum and further will

also be liable to appropriate disciplinary action under the rules of service applicable to the APPLICANT MORTGAGOR.

- c. (N10) That the APPLICANT MORTGAGOR shall complete the construction of the house/additions to living accommodation in the aforesaid house within eighteen months of (N11) _____ unless an extension of time is allowed in writing by Mortgagee. In case of default, the Principal Mortgagor shall be liable to repay forthwith the entire amount advanced to him together with interest calculated under the said Rules in one lumpsum. The APPLICANT MORTGAGOR shall report to the Mortgagee that the full amount of the advance has been utilized for the purpose for which it was sanctioned.
- d. That the mortgagors shall immediately insure the house at their own cost, with the Life Insurance Corporation of India, for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss 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 Mortgagors shall pay regularly the premium in respect of the said insurance from time to time and will then be required to produce to the MORTGAGEE the premium receipts for inspection. In the event of failure on the part of the MORTGAGORS 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 MORTGAGORS and add the amount of the premium to the outstanding amount of the advance and the APPLICANT 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 MORTGAGORS shall give a letter to the Mortgagee as often as required, addressed to the Insurer, 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 Mortgagors shall maintain the aforesaid house in good repair at their 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 Mortgagors shall also furnish to the Mortgagee an annual certificate to the above effect.

- f. The Mortgagors 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 APPLICANT 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 said lease, dated _____ is now valid and subsisting lease of the said Mortgaged property and are in no wise void or voidable and the rents and the covenants and conditions in and by the indenture of Lease referred have been paid, performed and observed up to the date of these presents and that the same is assignable in the manner hereinbefore stated.
- i. That the MORTGAGORS will so long as any money shall remain owing on security of the said Mortgaged property hereinbefore expressed to be hereby assigned and in any case for the period of the said agreement, duly observe all the covenants by the Lease and conditions contained in the Indenture Of Lease referred to in the Schedule hereunder written and keep the Mortgagee indemnified against all actions, suits, proceedings, costs, charges, claims and demands which will be incurred or sustained by reason of the non-payment of the said rent or the breach, non-performance or non-observance of the said covenants and conditions or any of them.
- j. That the Mortgagors shall not during the continuance of these resents charge, encumber, alien, or otherwise dispose of the Mortgaged property. However, if the Mortgagors covenant to create a second mortgage in favour of any other financial institution, they shall not do so without obtaining the prior permission of the Mortgagee and on the consent being given, the draft, of the second mortgage will be submitted to the Mortgagee for approval.

Provided, always that in the event of the Mortgagors creating a second Mortgage on the same premises only by deposit of title deeds in favour of a financial institution including HDFC or a Bank, the Mortgagee may, at the written request of the Mortgagor and the

financial institution concerned to this Mortgagee, handover such documents of title to the said premises as are in possession of the Mortgagee, to the said financial institution for the sole purpose of creating the said proposed second Mortgage.

It is a strict condition that before the said documents of title are handed over by the Mortgagee to the said financial institution as hereinbefore provided that the said financial institution and the Mortgager shall assure and undertake to the Mortgagee in writing in such form as may be determined by this Mortgagee that –

- a. the said documents of title shall be held and retained by the financial institution concerned only as a second Mortgage subject and subordinate to the rights of this Mortgagee hereunder;
- b. the said financial institution shall not at any time or for any reason part with such title deeds without written consent of this Mortgagee first had and obtained and on such conditions as may be imposed by this Mortgagee at its discretion;
- c. after at any time, the said financial institution ceases to be second Mortgagee of the said premises, the said financial institution shall be obliged to return the said title deeds to this Mortgagee only, whether or not any demand in this behalf is made by this Mortgagee;
- d. the said financial institution shall produce or cause to be produced the said title deeds as and when required by this Mortgagee for any reason whatsoever regardless of whether the said proposed second Mortgage due to be in existence of ootherwise discharged; this will be in the understanding that as soon as the purpose is served, the same shall be returned by the Mortgagee to the financial institution, to be dispensed subject to these conditions;
- e. nothing in these provisions shall be construed to create any financial or other obligations or liabilities in this mortgagee *vis-à-vis* the said financial institution or shall in any manner alter, abridge or abrogate the rights of this Mortgagee hereunder, who shall always be and continue to be the paramount Mortgagee.
- g. Notwithstanding anything contained herein, the Mortgagee shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of the retirement or death preceding retirement of

the Applicant Mortgagor from the whole or any specified part of the gratuity that may be sanctioned to the Mortgagor.

SCHEDULE ABOVE REFERRED TO
(To be filled in by Mortgagors)

IN WITNESS WHEREOF THE MORTGAGORS have hereunto set their hands.

Signed by the Mortgagors 1. _____
2. _____

In the presence of

1st witness :

Address :

Occupation :

2nd witness :

Address :

Occupation :

FOR WITNESS THEREOF Shri _____ in the Ministry of _____ for and on behalf of and by order and directions of the President of India has signed this present.

Signed by Shri _____

In the presence of

1st Witness :

Address :

Occupation :

2nd Witness :

Address :

Occupation :

NOTES

- (N1) Mention whatever is applicable
- (N2) The language will be modified if the mode of payment of advance is different from what is prescribed in Rule 5.
- (N3) This applies to Nazul lands (normally) to be inserted, wherever applicable.
- (N4) Delete Clause (i) (a) or (i)(b) whatever is not applicable.
- (N5) This will not be more than 180,
- (N6) This will not be more than 60.
- (N7) Normal rate of interest to be charged under the said Rules.
- (N8) In case of Nazul lands in Delhi and in similar cases, wherever applicable.
- (N9) In the case of plots purchased from Delhi Development Authority.

- (N10) Clauses (vi) (b) & (vi) (c) are not applicable when the advance is for the purchase of ready built houses/flats or for repayments of loans taken by an Mortgagor for the construction or purchase of a house/flat.
- (N11) Here mention the date on which the first installment of the advance is paid to the mortgagor.

FORM No.4 B

**Form of Mortgage Deed to be executed in the case of purchase of ready-built house/flat on lease hold land, the absolute right of which is not vested in the purchaser
(Rule 5(a))**

This indenture made this _____ day of _____ Two thousand and _____ between Shri _____ son of _____ at present employed as _____ in the Ministry/Office of _____ at _____ (hereinafter called "THE MORTGAGOR" which expression shall unless excluded by or repugnant to the subject or context include his/her heirs, executors, administrators, and assigns) of the ONEPART and the PRESENT OF INDIA(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 Borrower had under the provision of the Rules framed by the Government of India to regulate the grant of advances to Central Government servants for building, etc., of houses (hereinafter referred to as the "said rules", which expression shall, where the context so admits, include any amendment thereof or addition for the time being in force) applied to the Government for an advance of Rupees _____ to purchase a ready-built house as aforesaid and the Government had sanctioned an advance of Rupees _____ to the Borrower, vide the Ministry/Office Letter No. _____ dated _____, a copy of which is annexed to these presents for the purpose aforesaid on the terms and conditions set forth thereon.

AND WHEREAS on the _____ at the time of the drawal of the said loan an agreement was executed by and between the mortgagor and the mortgagee whereby the mortgagor interalia undertook to execute a document mortgaging the said flat to the mortgagee as security for the amount advanced to mortgagor as also for the interest payable for the said amount in the form provided by the said rules.

AND WHEREAS by a deed of conveyance, dated the _____ day of _____ executed by and between the _____ of the one part of the mortgagor of the other part for consideration in the said indenture mentioned the _____ sold, transferred and assigned the properties more particularly mentioned in the schedule to the said documents as

also the schedule hereunder to the mortgagor on terms and conditions in the said indenture mentioned.

AND WHEREAS the consideration for the said transfer was paid by the mortgagor out of the Government load of Rs. _____ advanced to him.

NOW THIS INDENTURE WITNESSETH as follows:-

(1)(a) (N1) 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 and MORTGAGOR DOETH 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 (N2) _____ monthly installments of Rs. _____ (Rupees _____ only) from the pay of the Mortgagor commencing from the month of _____, Two Thousand and _____ i.e., from the pay of the month following that in which the advance is drawn and the Mortgagor hereby authorizes the Mortgagee to make deduction from his monthly pay/leave salary/subsistence allowance of the amount of such installments and the Mortgagor shall after paying the full amount of the advances also pay interest due thereon in (N3) _____ monthly installments 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 the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and 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.

(1)(b) (N3) 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 and MORTGAGOR DOETH 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 installments of Rs. _____ (Rupees _____)

_____ only) form the pay of the Mortgagor commencing from the month of _____, 20____, or from the pay of the month following that in which the advance is drawn, till the date of his superannuation and the balance then remaining outstanding on his superannuation together with the interest on the amount advanced from the date of the advance to the date of repayment from his gratuity/death-cum-retirement gratuity and the Mortgagor hereby authorizes the Mortgagee to make deductions from his monthly pay/leave salary/subsistence allowance of the amount of such installments and from his gratuity/death-cum-retirement gratuity of such of the balances remaining unpaid at the date of his death/retirement/superannuation as hereinbefore mentioned, failing which the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and cost 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.

- (2) If the MORTGAGOR shall utilize 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 case 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 thereof at _____ per cent per annum calculated from the date of the payment by the MORTGAGEE of the first installment of the said advance. Notwithstanding anything contained herein, if the Mortgagor utilizes the advance for a purpose other than that for which the advance is sanctioned, it shall be open to the mortgagee to take such disciplinary action against the Mortgagor as may be appropriate under the Rules of service applicable to the Mortgagor.
- (3) 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 or assure unto the Mortgagee, ALL AND SINGULAR, the said property comprised in the said Conveyance, dated _____, and more particularly described in the Schedule hereunder written together with buildings to be erected by the Mortgagor on the said property, if any (hereinafter referred to as the

Mortgaged property) or materials for the time being therein with all rights, easements and appurtenances to the said mortgaged property or any of them belonging subject to covenants by the purchaser and the conditions therein contained to HOLD the same unto the Mortgagee absolutely but subject to the terms and covenants of the said Conveyance and subject nevertheless to the proviso for redemption hereinafter contained PROVIDED ALWAYS AND it is hereby agreed and declared by 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 reconvey, retransfer and reassure the said Mortgaged property unto and to the use of the Mortgagor or as he may direct.

- (4) 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 died 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 without the intervention of the Court, 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 all 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 purchaser 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(N4) (and in the next place to pay to _____ the _____ the Lessor of the Mortgaged property _____ 50% of the unearned increase pursuant to clause _____ of the said lease) 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 the Mortgagor.

- (5) (N5) “In the event of the sale or foreclosure of the Mortgaged or charged property, the Lessor (President of India) shall be entitled to claim and recover fifty percent of the unearned increase in the value of the residential plot as aforesaid and the amount of the Lessor’s share of the said unearned increases shall be the first charge having priority over the said mortgage or charge. The decision of the Lessor in respect of the market value of the said residential plot shall be final and binding on all parties concerned provided that the lessor shall have the pre-emptive right to purchase the mortgaged or charged property after deducting fifty per cent of the unearned increase as aforesaid.
- (6) The MORTGAGOR hereby covenants with the MORTGAGEE as follows:
- (a) That the Mortgagor now hath 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 a manner aforesaid.
- (b) (N6) 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 Mortgage. The Mortgagor shall certify, when applying for installments of advance admissible at the plinth/roof level, that the construction is being carried out in accordance with the plan and estimate furnished by him to the Mortgage, 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 Mortgage 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 Mortgage forthwith the entire advance received by her/him together with interest thereon at _____ percent per annum and further will also be liable to appropriate disciplinary action under the rules of service applicable to the Mortgagor.
- (c) (N6) That the Mortgagor shall complete the construction of the house/additions to living accommodation in the aforesaid house within eighteen months of(N7) _____ 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 Mortgagors 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 utilized for the purpose for which it was sanctioned.

- (d) That the MORTGAGOR shall immediately insure the house at his own cost, with the Life Insurance Corporation of India for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss or damage by fire, flood and lightening as provided in the said Rules till the advance is fully repaid to the Mortgage and deposit the policy of insurance with the Mortgage. 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 lightening 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 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 covered by the security of these presents. The Mortgagor shall give a letter to the Mortgage as often as required addressed to the Insurer, with which the house is insured with a view to enable to Mortgage to notify to the Insurer the fact that to the Mortgage 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 the Municipal and other local rates, taxes and all other outgoing in respect of the mortgaged property regularly until the advance has been repaid to the Mortgage in full. The Mortgagor shall also furnish to the Mortgage an annual certificate to the above effect.
- (f) The Mortgagor shall afford facility to the Mortgage 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 Mortgage 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 said Conveyance Deed, dated _____ is now valid and subsisting lease of the said Mortgaged property and are in nowise void or void-able and the rents and the covenants and conditions in and by the indenture of Lease reserved have been paid, performed and observed up to the date of these presents and that the same is assignable in the manner hereinbefore stated.
- (i) That the Mortgagor will so long as any money shall remain owing on security or the said Mortgaged property, hereinbefore expressed to be hereby assigned and in any case for the period of the said arrangement, duly observe all the covenants by the Lease and conditions contained in the said Indenture of Lease referred against all actions, suits, proceedings, costs, charges, claims and demands which will be incurred or sustained by reasons of the non-payment of the said rent or the breach, non-performance or non-observance of the said covenants and conditions or any or them.
- (j) That the Mortgagor shall not during the continuance of these presents charge, encumber, alien or otherwise dispose of the Mortgaged property. However, if the Mortgagor covenants to create a second mortgage in favour of any other financial institution, he shall not do so without obtaining the prior permission of the Mortgagee and on the consent being given, the draft of the second mortgage will be submitted to the Mortgagee for approval.

Provided, always that in the event of the Mortgagor creating a second Mortgage on the same premises only by deposit of title deeds in favour of a financial institution including HDFC or a Bank, the Mortgagee may, at the written request of the Mortgagor and the financial institution concerned to this Mortgagee, hand over such documents of title to the said premises as are in possession of this Mortgagee, to the said financial institution for the sole purpose of creating the said proposed second Mortgage.

It is a strict condition that before the said documents of title are handed over by the Mortgagee to the said financial institution as herein before provided, that the said financial institution and Mortgagor shall assure and undertake to the Mortgagee in writing in such form as may be determined by this Mortgagee that –

- (i) the said documents of title shall be held and retained by the financial institution concerned only as a second Mortgage

subject and sub-ordinate to the rights of this Mortgagee here under;

- (ii) the said financial institution shall not at any time or for any reason part with such title deeds without written consent of this Mortgagee first had obtained and on such conditions as may be imposed by this Mortgagee at its discretion;
 - (iii) after at any time, the said financial institution ceases to be second Mortgagee of the said premises, the said financial institution shall be obliged to return the said title deeds to this Mortgagee only, whether or not any demand in this behalf is made by this Mortgagee;
 - (iv) the said financial institution shall produce or cause to be produced the said title deeds as and when required by this Mortgagee for any reason whatsoever regardless of whether the said proposed second Mortgage due to be in existence or otherwise discharged; this will be in the understanding that as soon as the purpose is served, the same shall be returned by the Mortgagee to the financial institution, to be dispensed subject to these conditions;
 - (v) nothing in these provisions shall be constructed to create any financial or other obligations or liabilities in this Mortgagee, vis-à-vis the said financial institution or shall in any manner alter, abridge or abrogate the rights of this Mortgagee here under, who shall always be continue to be the paramount Mortgagee.
- (k) Notwithstanding anything contained herein, the Mortgagee shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of his retirement or death preceding retirement from the whole or any specified part of the gratuity that may be sanctioned to the Mortgagor.

SCHEDULE ABOVE REFERRED TO
(To be filled in by Mortgagor)

IN WITNESS WHEREOF THE MORTGAGOR has hereunto set his hand.

Signed by the said (Mortgagor) _____

In the presence of:

1st Witness:

Address:

Occupation:

2nd Witness:

Address:

Occupation:

Signed by Shri _____ in the
Ministry/Office of _____ for and on behalf and
by order and direction of the President of India.

In the presence of:

1st Witness:

Address:

Occupation:

2nd Witness:

Address:

Occupation:

NOTES

- (N1) Delete Clause (1) (a) or (1)(b) whatever is not applicable.
- (N2) This will not be more than 180,
- (N3) This will not be more than 60.
- (N4) In case of Nazul lands in Delhi and similar cases wherever applicable.
- (N5) In the case of plots purchased from Delhi Development Authority.
- (N6) Clauses 6(b) & 6(c) are not applicable when the advance is for the purchase of ready built house.
- (N7) Here mention the date on which the first installment of the advance is paid to the mortgagor.