

7.2.8

New Delhi, the qq.5.99.

To
Transport Secretaries/Commissioners of all State
Governments/ UT Administrations.

Subject:- Endorsement regarding Financiers in the Registration Books .

Sir,

I am directed to say that it has been brought to the notice of this Ministry that the registering authorities of some states are making multiple entries of title endorsement/Lease Agreements in favour of different financiers. It has been represented that this is illegal and the second endorsement of any Hire Purchase Agreement can be made only after the previous endorsement has been cancelled. The matter has been examined and it is felt that the arguments by the representations are correct. As per previous of Sec 51 (3) of the Motor Vehicle Act ~~no~~ no other financier can become the title holder of such vehicle unless the earlier financier ceases to be the title holder. It is, therefore requested that suitable instructions may be issued to all the registering authorities in your State to ensure that the endorsement in respect of the financiers is in favour of only one financier. Any subsequent endorsement has to be after the first endorsement has been cancelled.

Yours faithfully

(J.R. RAPOOR)
UNDER SECRETARY TO THE GOVT. OF INDIA
Tel.No. 3714324.

Endt No. C1.6336/TC/92 dated, 26.5.99.

Copy forwarded to all DTCs, RTOs, Jt.RTOs, for short-compliances,, Copy to Secretary,STA, Sr DTC(T), FO, LO, AO.

Sd/-
Sr.DTC (Tax),
for Transport Commissioner.

Approved for issue

Senior Supdt.

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