[1]THE OFFICERS OF PARLIAMENT (ADVANCES FOR MOTOR-CARS) RULES,1953

In exercise of the powers conferred by Section II read with Section 8 of the Salaries and Allowances of Officers of Parliament Act, 1953 (20 of 1953), the Central Government, in consultation with the Chairman of the Council of States and the Speaker of the House of the People, hereby makes the following rules to regulate the grant of advances to Officers of Parliament for the purchase of motor-cars, namely :-

1. **Short title and commencement** .— (1) These Rules may be called the Officers of Parliament (Advances for Motor-Cars) Rules, 1953.

(2) They shall be deemed to have come into force on the first day of May, 1953.

2. **Maximum amount of advance** .— [2]{(l)} The maximum amount which may be advanced to an Officer of Parliament for the purchase of a motor-car shall not exceed [3](Rupees one lakh) or the actual price of the motor-car which is intended to be purchased, whichever is less,

[4]{(2) The amount of the advance under sub-rule (1) shall be sanctioned in the name of the President and authenticated in accordance with the provisions of the Authentication (Orders and other instruments) Rules, 1958}

3. Repayment of Advance— [5]"{(1) Recovery of the advance granted under rule 2, together with interest thereon, shall be made from the salary bill of the Officer of Parliament concerned in not more than sixty equal monthly installments, The Government may, however, permit recovery to be made in a smaller number of installments if the Officer of Parliament receiving the advance so desires. The deduction shall commence with the first issue of salary after the advance is drawn. Simple interest at the rate fixed by the Government for the purpose of purchase of conveyances by Government servants, shall be charged on the advance,

Explanation .—The amount of the advance to be recovered monthly shall be fixed in whole rupees, except in the case of last installment when the remaining balance including any fraction of a rupee shall be recovered.}"

(2) In case an Officer of Parliament relinquishes office before the advance is fully repaid, the outstanding balance together with interest thereon shall be paid to Government immediately in one lump sum.

form Ministry of Finance, Government of India.

[2]Renuembered vide DPA's Notification No. F-10 (4)/ 63-Admn, dated 19-9-1963.

[3]Subsitutited-ibid and GSR No. 935 (E), Published in the India Gazette of India, Extraordinary Part II, Section 3, Sub-section (i) dated 18-12-1992 vide MPA, Notification No. 13(1)/ 92-WS dated 17-12-1992.

[4]Added-Notifiacation dated 19-9-1963(ibid)

[5]Subsitituted vide Notification dated 19-9-1963 ibid.

4. Sale of motor-car .— (1) Except when an Officer of Parliament relinquishes his office, previous sanction of Government shall be obtained for the sale by the Officer of Parliament of the motor car purchased with the aid of an advance, if such advance together with the interest accrued thereon, has not been fully repaid. If an Officer of Parliament wishes to transfer the motor car to another Officer of Parliament he may be permitted under the orders of Government to transfer the liability attaching to the motor car to the later Officer of Parliament, provided that the purchasing officer of Parliament records a declaration that he is aware that the motor car transferred to him remains subject to the mortgage bond and that he is bound by its terms and provisions.

(2) In all cases where a motor car is sold before the advance received for its purchase from Government with Interest has been fully -repaid, the sale-proceeds must be applied, so far as may be necessary, towards the repayment of such outstanding balance, provided that when the motor car is sold only in order that another motor car may be purchased, Government may permit the Officer of Parliament to apply the sale proceeds towards such purchase, subject to the following conditions, namely:—

(a) the amount outstanding shall not be permitted to exceed the cost of the new car;

(b) the amount outstanding shall continue to be repaid at the rate previously fixed; .and

(c) the new car shall be insured and mortgaged to Government.

5. **Period within which negotiations for purchase of car may be completed**—An Officer of Parliament who draws an advance for the purchase of a motor car, shall complete his negotiations for the purchase of, and pay finally for, the motor-car within one month of the date on which he draws the advance, failing such completion and payment, the full amount of the advance drawn, with interest thereon for one month, will be refunded to Government. An advance will not be admissible when a motor-car has already been purchased and paid for in full. In a case in which payment has been made in part the amount of advance will be limited to the balance to be paid as certified by the Officer of Parliament.

6. **Execution of Agreement** .— At the time of drawing the advance the Officer of Parliament will be required to execute an agreement in

Form I and, on completing the purchase, he will further be required to execute a mortgage bond in Form II hypothecating the motor-car to the Government as security for the advance. The cost price of the motor-car shall be entered in the schedule of specifications attached to the mortgage bond.

[1]{7. **Certificate to the Pay and Accounts Officer** .— When an advance is drawn, the sanctioning authority shall furnish to the Pay and Accounts Officer, Council of States / House of the People, a certificate that the Agreement in

Form I has been signed by the Officer of Parliament drawing the advance and that it has been found to be in order. The sanctioning authority shall see that the motor-car is purchased within one month from the date on which the advance is drawn and shall submit the mortgage bond promptly to the Pay and Accounts Officer, Council of States/House of the People for examination before final record.}

8. **Safe custody and cancellation of mortgage bond-** The mortgage bond shall be kept in the safe custody of the sanctioning authority. When the advance has been fully repaid, the

[1]Substituted vide D.P.A.'s Notification No. F 10 (4) /63 - Admn. dated 19-9-1963

bond shall be returned to the Officer of Parliament concerned duly cancelled, after obtaining a certificate from the [2]{Pay & Accounts Officer, Council of States / House of the People} as to the complete repayment of the advance and interest.

9. **Insurance of motor-car**.—The motor car purchased from the advance shall be insured against full loss by fire, theft or accident. The insurance policy shall contain a clause (as in

Form III) by which the insurance company agrees to pay to Government instead of the owner, any sums payable in respect of loss or damage to the motor-car which is not made good by repair, reinstatement or replacement.

[2]Substituted - ibid.

FORM I

FORM OF AGREEMENT TO BE EXECUTED AT THE TIME OF DRAW1NG AN ADVANCE FOR THE PURCHASE OF A MOTOR-CAR

An agreement made this ..... day of .....……..... one thousand nine hundred and……BETWEEN Shri ……..an Officer of Parliament (hereinafter called the Borrower, which expression shall include his legal representatives and assignees) of the one part and the President of India (hereinafter called the Central Government) of the other part WHEREAS the Borrower has under the provisions of the Rules regulating the grant of advances to Officers of Parliament for purchase of motor-cars, made under the Salaries and Allowances of Officers of Parliament Act, 1953 applied to the Central Government for a loan of Rs.……(Rupees .....……only) for the purchase of a motor-car and the Central Government have agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained NOW IT IS HEREBY AGREED between the parties hereto that in consideration of the sum of Rs..... paid by the Central Government to the Borrower (the receipt of which the Borrower hereby acknowledges) the Borrower hereby agrees with the Central Government (1) to pay the Central Government the said amount with interest calculated according to the said rules by monthly deductions from his salary as provided for by the said rules and hereby authorise the Central Government to make such deductions and (2) within one month from the date of these presents to expend the full amount of the said loan in the purchase of a motor-car or if the actual price paid is less than the loan to repay the difference to the Central Government forthwith and (3) to execute a document hypothecating the said motor-car to the Central Government as security for the amount lent to the Borrower as aforesaid and interest in the form provided by the said rules AND IT IS HEREBY LASTLY AGREED AND DECLARED that if the motor-car has not been purchased and hypothecated as aforesaid within one month from he date of these presents or if the Borrower within that period becomes insolvent or relinquishes his office or dies the whole amount of the loan and interest accrued thereon shall become due and payable.

IN WITNESS whereof the Borrower has hereunto set his hand the day and year first before written.

Signed by the said Shri ..……...

In the presence of ...……...

FORM II

FORM OF MORTGAGE BOND FOR MOTOR VEHICLES ADVANCE

THIS INDENTURE made this……. day of …….... one thousand nine hundred and ……..... BETWEEN ……. (hereinafter called "the Borrower", which expression shall include his heirs, administrators, executors and legal representatives) of the one part and the PRESIDENT of India (hereinafter called "the President", which expression shall include his successors and assignees) of the other part, WHEREAS the Borrower has applied for and has been granted an advance of Rupees ……... to purchase a motor vehicle on the terms of rule 3 of the Rules regarding the grant of advances to Officers of Parliament for the purchase of motor-cars made under the Salaries and Allowances of Officers of Parliament Act, 1953 (hereinafter referred to as "the said Rules" AND WHEREAS one of the conditions upon which the said advance has been/was granted to the Borrower is/was that the Borrower will/would hypothecate the said motor vehicle to the President as security for the amount lent to the Borrower and WHEREAS the Borrower has. purchased with or partly with the amount so advanced as aforesaid the motor vehicle particulars whereof are set out in the Schedule hereunder written.

NOW THIS INDENTURE: WITNESSETH that in pursuance of the said agreement and for the consideration aforesaid the Borrower doth hereby covenant to pay to the President the sum of Rs.....…….aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payment of Rs.....……. each on the first day of every month and will pay interest on the sum for the time being remaining due and owing calculated according to the said Rules and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary in the manner provided by the said Rules, and in further pursuance of the said agreement the Borrower doth hereby assign and transfer unto the President the motor vehicle the particulars whereof are set out in the Schedule hereunto written by way of security for the said advance and the interest thereon as required by the said Rules.

And the Borrower doth hereby agree and declare that he has paid in full the purchase price of the said motor vehicle and that the same is his absolute property and that he has not pledged and, so long as any money remains payable to the President in respect of the said advance, will not sell, pledge or part with the property in or possession of the said motor vehicle. Provided always and it is hereby agreed and declared that if any of the said installments of principal or Interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time relinquishes his office or if the Borrower shall sell or pledge or part with the property in or possession of the said motor vehicle or become insolvent or make any composition or arrangement with his creditors or if any person shall take proceedings in execution of any decree or judgement against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable AND IT IS HEREBY AGREED and declared that the President may on the happening of any of the events herein before mentioned seize and take possession of the said motor vehicle and either remain in possession thereof without removing the same or else may remove and sell the said motor vehicle either by public auction of private contract and may out of the sale money retain the balance of the said advance then remaining unpaid and any

interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realizing his rights hereunder and shall pay over the surplus, if any, to the Borrower, his executors, administrators or personal representatives PROVIDED FURTHER that the aforesaid power of taking possession or selling of the said motor vehicle shall not prejudice the right of the President to sue the Borrower or his

personal representatives for the said balance remaining due and interest or in the case of the motor vehicle being sold the amount by which the net sale proceeds fall short of the amount owing AND the Borrower hereby further agrees that so long as any moneys are remaining due and owing to the President, he, the Borrower will insure and keep insured the said motor vehicle against loss or damage by fire, theft, or accident with an insurance company to be approved by the Accountant General concerned and will produce evidence to the satisfaction of the Accountant General that the Motor Insurance Company with whom the said motor vehicle is insured have received notice that the President is interested in the Policy AND the Borrower hereby further agrees that he will not permit or suffer the said motor vehicle to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event of any damage or accident happening to the said motor vehicle the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of motor vehicle : ……

Maker's Name : ……

Description : ……

No. of Cylinders : ……

Engine Number : ……

Chasis No. : ……

Cost Price : …….

IN WITNESS Whereof the said ...……..(Borrower's name) and …….. for and on behalf of the President have hereunto set their respective hands the day and year first above written.

Signed by the said in the presence of

1…… 2…….

(Signatures of Witnesses)

Signed by (Name & Designation)

……

……... ……..

(Signatures and Designation of the Borrowers)

for and on behalf of the President of India in the presence of

1…….

2……

(Signatures of Witnesses)

(Signatures and Designation of the Officers)

Name & Designation of the Borrower……..

……...

FORM III

FORM OF THE CLAUSE TO BE INSERTED IN INSURANCE POLICIES

1. It is hereby declared and agreed that Mr..... ...…….. (the owner of the Motor Car hereinafter referred to as the insured in the Schedule to this policy) has hypothecated the car to the Government of India (or President of the Indian Union) as security for advances for the purchase of the motor car and it is further declared and agreed that the said Government (or President) are interested in any moneys which but for this endorsement be payable to the said Mr..... (the insured under this policy) in respect of the loss or damage to the said Motor Car (which loss or damage is not made good by repair, reinstatement or replacement) and such moneys shall be paid to the Government as long as they are the mortgagees of the Motor Car and their receipt shall be full and final discharge to the Company In respect of such loss or damage.

2. Save as by this endorsement expressly agreed, nothing herein shall modify or effect the rights or liabilities of the insured or the company respectively under or in connection with this policy or any term, provision or condition thereof.