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Goa Legislature Secretariat

Notification

LA/C/MCA/MLA/352/2006

The Goa (Grant of Motor Car Advance to Members of the Legislative Assembly) Rules, 2006.

In exercise of the powers conferred by Section 26 read with sections 5 and 7 of the Goa Salary, Allowances and Pension of Members of the Legislative Assembly Act, 2004 (Act 20 of 2004), the Speaker hereby makes the following rules, namely:—

1.Short title and commencement.— (1) These rules may be called the Goa (Grant of advance to Member of the Legislative Assembly for purchase of new motor car) Rules, 2005.

(2) These rules shall come into force w.e.f. 1-4-2005.

2.Definitions.— In these rules, unless the context otherwise requires:—

(a)"Act" means the Goa Salary, Allowances and Pension of Members of the Legislative Act, 2004 (Act 20 of 2004);

(b)"Accounts Officer" means the Director of Accounts;

(c)"Sanctioning Authority" means the Secretary to the Goa Legislative Assembly;

(d)"Section" means section of the Act;

(e)"Speaker" means the Speaker of the Goa Legislative Assembly;

(f)words and expression used in these rules but not defined shall; have the same meaning respectively assigned in the Act.

3.Application for grant of advance. — An application for grant of advance under these rules shall be made in Form - I hereto to the Sanctioning Authority.

4.Amount of advance admissible to Members.— (1) Subject to other provisions in the Act, a Member may be sanctioned by way of repayable advance, an amount as specified in section 5 of the Act, for purchase of new motor car. A member can avail of the maximum amount of advance as specified in said section 5 of the Act and use of the same in part for the purchase of new motor car and in part for the repayment of outstanding amount of any advance or loan earlier availed of by a member for purchase of motor car, either under the Act or any other law or rules made there under.

(2) The advance shall be paid by P.A.O. cheque/Demand draft drawn in favour of the reputed dealer.

5.Repayment.— (1) The advance granted to a member under these rules together with interest thereon shall be repaid in such number of equal monthly installments not exceeding one hundred and twenty as the Sanctioning Authority may decide in each case. The Sanctioning Authority may further refix the total number of monthly installments as may be decided in each case for recovering the balance amount of loan along with interest and penal interest, if any on ceasing to be Member of Assembly. Recovery shall be made by deduction from the salary and other allowances admissible under the Act to the Member. The Sanctioning Authority may, if a Member so desires, permit the recovery to be made in a lesser number of installments. The recovery by deduction from; the salary and other allowances shall commence from the month following that in which the advance is drawn, and in order to ensure the recovery and accounting thereof, the bills of the

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Members to whom motor car advance have been granted shall be routed through the Sanctioning Authority.

(2)Simple interest at the rate of Two (2) percent per annum shall be charged on the advance granted under these rules. Interest shall be calculated from the date of drawl of advance, on the

balance outstanding. The rate fixed at the time of sanction of the advance shall hold good for the entire duration of advance.

[1][(2A) Simple interest at the rate of two percent (2) per annum shall be charged on the amount outstanding of the advance granted under the Goa (Grant of Advance to Members of the Legislative Assembly for purchase of motor car) Rules, 1990.]

(3)If a person ceases to be a Member of the Assembly for any reason, the amount due towards each; monthly installment with interest and penal interest if any, thereon may be deducted from the pension payable to him or such person may repay such; amount remitting in cash in any Government Treasury, and shall produce Treasury challan every month for having so remitted the amount unless he repays the entire dues in lump sum and produces receipt therefore.

(4)A member may be allowed to sell the motor car purchased by advance only for the purpose of repaying the entire amount of advance granted under these rules, with the prior permission of the Sanctioning Authority. Every Member shall, before selling the motor car purchased under these rules, obtain the prior permission of the Sanctioning Authority, except when he, upon ceasing to be a member has repaid the entire principal amount with the interest and penal interest, if any, thereon due towards the advance.

(5)A person who ceases to be a Member and makes default in payment of monthly installments of the principal amount or interest or penal interest shall, on his becoming an insolvent or contravening any of the terms and conditions of the loan, repay at once the whole of the principal amount and the interest therein and penal interest, if any, or the; balance unpaid.

(6)In the event of death of a Member before the recovery of entire dues towards the advance, the Government shall be entitled to enforce the mortgaged and take such other action to effect recovery of the outstanding amount, as may be permissible.

(7)The amount of advance to be recovered by monthly installment shall be fixed in whole rupee except in case of last installment, when the remaining balance including any fraction of rupee shall be recovered.

6.Negotiations for purchase of motor car— (1) A Member to whom an advance is sanctioned for the purchase of new motor car shall complete his negotiations for the purchase and shall make final payment for the motor car within one month from the date on which he draws the advance and failing such completion and payment, the full amount of the advance drawn with interest thereon for the month shall be refunded to the Government. The period of one month for completion of negotiation may, however, be extended by the Sanctioning Authority in any individual case on merits. 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 member.

Form II and on completing the purchase he shall further execute a mortgage bond in Form III 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.

(3)The Sanctioning Authority shall require the Member to furnish additional collateral security, wherein considered necessary. The collateral security may be in form of assignment of Life Insurance Policies or title deeds of other properties.

(4)When an advance is drawn, the Sanctioning Authority shall furnish to the Accounts Officer, a certificate that the agreement in

Form II has been signed by the Member drawing the advance and that has been found to be in order. The Sanctioning Authority shall ensure that the motor car is purchased within one month from the date on which the advance is drawn or within such period as may have been specifically allowed in any individual case by the Sanctioning Authority for completion of the negotiation under sub-rule (1) and shall submit every mortgage bond, promptly to the Accounts Officer for examination before being finally kept for record.

(5)The Mortgage bond shall be kept in the safe custody of the Sanctioning Authority. When the advance together with the interest and the penal interest, if any thereon has been fully repaid, the bond shall be returned to the Member duly cancelled after obtaining a certificate from the Accounts Officer as to the complete repayment of the advance and the interest and penal interest, if any, thereon.

(6)The motor car purchased with the advance shall be insured against full loss by fire, theft or accident with the General Insurance Corporation of India or any subsidiary company thereto. The insurance policy shall contain a clause by which the Corporation or the Subsidiary Company agrees to pay to the Government instead of the owner any sums payable in respect of loss or damages to the motor car which is not made good by repair, reinstatement or replacement. Such insurance should be effected within one month from the date of purchase.

7.Penal interest in case of default.— In the event of default committed by a member in the repayment of even a single installment of advance granted to Member under these rules by the due date as fined by the Sanctioning Authority, the concerned Member shall be liable to pay a penal interest at the rate of one percent per annum on the entire amount of the advance sanctioned, from the date of drawl of the advance till the repayment of the full amount of such advance.

By order and in the name of Speaker.

T. N. Dhruva Kumar, Secretary (Goa Legislative Assembly).

Porvorim, 15th May, 2006.

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FORM – I

The Goa (Grant of Advance to Members of the Legislative Assembly for purchase of new motor car) Rules, 2005

(*See* rule 3)

Application for advance to purchase new motor car by Member of the Legislative Assembly

1.Name of Applicant (in block letters).

2.Applicant's Designation.

3.District and station.

4.(i) Salary.

(ii) Other Allowances.

5.Anticipated price of motor car.

6.Amount of advance required .

7.Date/Month of expiry of term.

8.Number of installment in which the advance is desired to be repaid.

9.Name and address of the reputed dealer..

10.Are any negotiations or preliminary enquires being made so that delivery of motor car may be taken within one month from the date of the drawl of the advance.

11.(a) Certified that the information given above is complete and true.

(b) Certified that I have purchased the motor car on account of which I apply for the advance and that I shall complete negotiations for the purchase of motor car and make final payment and take possession of the said motor car before the expiry of one month from the date of drawl of the advance and that I shall insure the motor car with the General Insurance Corporation of India or any Subsidiary Company thereto in accordance with the rules and that I shall; abide by the rules relating to the grant of advance to the Members of the Legislative Assembly for the purchase of new motor car.

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FORM-II

The Goa (Grant of advance to Members of the Legislative Assembly for purchase of new motor car) Rules, 2005

[*See* rule 6 (2)]

Form of Agreement executed before drawing an advance for the purchase of new motor car

This Agreement is made on this .....day of .....in the year two thousand and ..... between (hereinafter called the "Borrower" which expression shall include his heirs, administrator, executors and legal representatives) of the One Part and the Governor of Goa (hereinafter called the "Government") of the Other Part.

Whereas the Borrower has under the provisions of the Goa (Grant of Advance to

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Members of the Legislative for purchase of new motor car) Rules, 2005 (hereinafter referred to as the "said Rules" which expression shall include any amendments thereof) applied to the Sanctioning Authority for an advance of Rs.

.....for the purchase of new motor car.

And whereas the Sanctioning Authority has 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... to be paid by the Government. The Borrower hereby agrees with the Government.

(1)To pay the Government the said amount with interest. And penal interest, if any, leviable calculated according to the said Rules, by monthly deductions from his salary, pension and allowances as provided in the said Rules and hereby authorises the Government to make the requisite deductions; and

(2)to execute a document hypothecating the said motor car and also to furnish additional collateral security in the form of assignment of life insurance policy or title deeds of other properties in favour of the Government as security for the amount lent to the Borrower as aforesaid and interest and penal interest, if any, leviable in the form provided by the said Rules. And it is hereby lastly agreed and declared that if the motor car has not been hypothecated as aforesaid within one month from the date of the payment of the said sum or if the Borrower within that period becomes insolvent or ceases to be the Member or dies, the whole amount of the advance and interest and penal interest, if any, leviable, accrued thereon shall immediately become due and payable.

In witness whereof the Borrower and ..... for and on behalf of the Governor of Goa have hereunto set their hands the day and year first before written.

.....

Signed by Shri .....

.....

(Borrower)

Witnesses :

1. .....
2. .....

Signed, sealed and delivered by

.....

for and on behalf of the Governor
of Goa, in presence of

1. .....

2. .....

(Signature of Witnesses)

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FORM - III

The Goa (Grant of advance to Members of the Legislative Assembly for purchase of new motor car) Rules, 2005

[*See* Rule 6 (2)]

Form of Mortgage Bond for motor car advance

The Indenture is made on this .....day of .....in the year two thousand and ..... BETWEEN (hereinafter called the "Borrower"which expression shall include his heirs, administrator, executors and legal representatives) of the One Part and the Governor of Goa (hereinafter called the "Government") of the Other Part.

Whereas the Borrower has applied for and has been granted advance of Rs..... to purchase a new motor car under the provisions of the Goa (Grant of advance to Members of the Legislative Assembly for purchase of new motor car) Rules, 2005 (hereinafter referred to as the "said Rules" which expression shall include any amendments thereto).

And whereas one of the conditions upon which the said advance has been granted to the Borrower is that the Borrower shall hypothecate the motor car and also furnish additional collateral security in the form of assignment of Life Insurance Policy or title deeds of other properties in favour of the Government as security for the; amount lent to the Borrower.

And Whereas the Borrower has sanctioned an amount of Rs ..... (rupees .....) as advance for purchase of new motor car.

And Whereas the Borrower has purchased with the amount so advanced as aforesaid the new motor car the particulars whereof are set out in the Schedule I hereunder written (hereinafter called the "said motor car").

Now, Therefore, this Indenture witnesseth that in pursuance of the said agreement and for the consideration aforesaid, the Borrower does hereby covenant to pay to the Government the sum of Rs.....aforesaid 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 penal interest, if any and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary, pension and allowances in the manner provide by the said Rules, and the Borrower doth hereby assign and transfer unto the Government the said motor car and also the Life Insurance Policy bearing No. .....for Rs. ..... (Rupees ....) due for maturity on .....(hereinafter called the "said Life Insurance Policy") or the title deed of the property described in Schedule II hereto (hereinafter called the "said Property") by way of security for the said advance and the interest thereon and penal interest if any, 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 car and that the same is his absolute property and that he has not pledged, and so long as any money remains payable to the Government in respect of the said advance, shall not sell, pledge or part with the said motor car PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said installment of principal or interest and penal interest, if any 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 ceases to be a Member of the Legislative Assembly or if the Borrower shall sell or pledge or

part with the said motor car 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 the interest and penal interest if any, thereon calculated as aforesaid

shall forthwith become payable. AND IT IS HEREBY AGREED AND DECLARED that the Government may, on the happening of any of the events hereinbefore mentioned seize and take possession of the said motor car and the said Life Insurance Policy or the said property and—

(i) realise the amount from the said Life Insurance Policy; or

(ii) sell by public auction or private contract without the intervention of the court and said motor car and the said property and may from the amount realized out of the assigned Life Insurance Policy, or out of the sale money of the said motor car and the said property, as the case may be, retain the balance of the said advance then remaining unpaid and any interest and penal interest, if any due thereon calculated as aforesaid and all costs, charge, expenses and payments properly incurred, or made in maintaining, defending or realizing Government's rights hereunder and shall pay over the surplus, if any to the Borrower, his executors, administrators or legal representatives, PROVIDED FURTHER that the aforesaid power of taking possession or selling of the said motor car and the said property and realization of the amount from the said Life Insurance Policy shall not prejudice the right of the Government to sue the Borrower or his legal representatives for the said balance remaining due and interest and penal interest if any, or and the case of the said motor car and the said property being sold or the amount of the said Life Insurance Policy being realized, the Borrower shall pay the amount by which the net sale proceeds in amount of Life Insurance Policy 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 Government, he the Borrower will insure and kept insured the said motor car against loss or damage by fire, theft or accident with the General Insurance Corporation of India or any subsidiary company thereto and will produce evidence to the satisfaction of the Government and that the said Corporation or the Company with whom the said motor car is insured have received notice that the Government is interested in the policy AND hereby further agrees that he will not permit or suffer the said motor car to be destroyed or injured or to deteriorate in a greater 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 car, the Borrower will forthwith have the same repaired and made good.

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SCHEDULE I

Description of Motor Car

Maker's name

Description

No. of Cylinders

Engine Number

Chassis Number

Cost price

SCHEDULE II

(Description of property)

In witness whereof the parties hereto have hereunto set their respective hands on the day and year first above written.

Signed, sealed and Signed and
delivered by delivered by
Shri..... .....
Shri..... .....
For and on behalf of Governor of Goa Borrower
Witnesses : Witnesses :
(1) ..... (1) .....
(2) ..... (2) .....

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11-2006