

The Rajasthan Ministers (Advance for Purchase of Motor Cars) Rules, 1965

RAJASTHAN

India

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Rule

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- Published on 9 July 1965
- Commenced on 9 July 1965
- [This is the version of this document from 9 July 1965.]
- [Note: The original publication document is not available and this content could not be verified.]

The Rajasthan Ministers (Advance for Purchase of Motor Cars) Rules, 1965Published vide Notification No. F.8 (20) Cab/64, dated 9-7-1965, Published in Rajasthan Government Gazette Extraordinary, Part 4-C, dated 9-7-1965In exercise of the powers conferred by Section 7-A of the Rajasthan Ministers Salaries Act. 1956 (Act No. 43 of 1956) the Governor has been pleased to make the following rules to regulate the grant of advances to Ministers for the purchase of motor cars, namely :

1. Short title and commencement.

(1)These rules may be called the Rajasthan Ministers (Advances for Purchase of Motor Cars) Rules, 1965.'(2)They shall come into force at once.

2. Eligibility.

- A Minister, who does not possess motor car of his own. may be granted an advance for the purchase of a motor car on the condition that, after purchasing the car. with the advance taken from Government he shall not be entitled to make use of a Government Vehicle in terms of Clause (i), (ii) and (iii) of rule 5 of the Rajasthan Ministers (Travelling Allowance and Use and Maintenance of Conveyance) Rules, 1963.

3. Maximum amount of advances.

- The maximum amount to be advanced to a Minister for purchase of a motor car shall not exceed rupees 20 thousand or the anticipated price of the motor car intended to be purchased, whichever is less. If the advance taken is more than the actual price paid, the balance shall be refunded to the Government.

4. [Repayment of advance. - An advance granted under these rules shall be repaid is not more than 48 instalments, the first instalment commencing with the first issue of salary, after the advance is drawn. If a Minister to whom an advance has been issued relinquishes office before the advance is fully repaid. Government may permit him to pay the outstanding amount of principal and interest in residual instalments which would, taking into account the number of instalments already paid not exceed 48 instalments in all. The rate of interest in such cases shall be 9% p.a. instead of the normal rate of 7% p.a. from the date he ceases to be a Minister. This concession shall be admissible only in cases where the vehicle has been mortgaged and comprehensively insured as required by the rules.] [Substituted by Amended G.S.R. 226(40), Dated 20-11-1974, Published in Rajasthan Government Gazette part 4-(c), dated 19-12-1974, page 424.]

[4A]. [Re-numbered by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] - Where a Minister, after relinquishing office, fails to refund [within a period of 180 days] [Inserted by Dated 26-12-1967, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 26-12 1967.] the entire loan or the balance outstanding, together with interest, in lump sum, the recovery [shall] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] be affected as arrears of land revenue, without prejudice to any other remedy available under the law.[4B]. [Re-numbered by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] - The amount of the advance to be recovered monthly should be fixed in whole rupees, except in the case of the last instalment, when the balance including fractions of rupee should be recovered.

5. Insurance of motor car.

- The motor car, purchased with the aid of an advance taken under these rules, shall be insured on comprehensive basis with [the Life Insurance Corporation of India] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] and the insurance continued until the advance, together with the interest thereon, is fully repaid. Note. - No portion of advance taken for purchase of a motor car can be spent on the repairs of the motor car, the entire unutilised balance should be refunded.

6. Consequences of failure to comply with requirements of rules.

- In case where the Minister, after drawing the advance for purchase of car, fails to comply with the requirements of the rules, he shall be liable to refund whole of the loan amount advanced with interest at a rate of 9 per cent per annum.

7. Payment of interest.

- Simple interest at the rate prescribed by the Government from time to time for conveyance advances to Government Servants shall be charged on the balance outstanding on the last day of each month for the advance. The amount of interest shall be recovered in one or more instalments, each such instalment being not appreciably greater than the instalments in which the principal is recovered. The recovery of interest will commence from the month following that in which the repayment of the principal has been completed.

8. Sale of motor car.

(1)A Minister shall not save with the previous sanction of Government, sell or otherwise dispose of the car purchased with the aid of an advance till the advance, together with the interest thereon, has been fully repaid.(2)If a Minister wishes to transfer such a motor car to another Minister, who under these rules is eligible for an advance, he may be permitted by Government to do so and transfer the liability attached to the car to the latter provided that the transferee 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.(3)In all cases in which a motor car is sold before the amount of advance and the interest thereon is fully repaid, the sale proceeds must be applied, so far as may be necessary, towards the repayment of the outstanding balance, provided that when the motor car is sold only in order that another motor car may be purchased, Government may permit a Minister to apply the sale proceeds towards such purchase, subject to the following conditions-(a)the amount of advance outstanding shall not be permitted to exceed the cost of the newly purchased car:(b)the amount outstanding shall continue to be repaid at the rate previously fixed; and(c)the new car is insured and mortgaged to Government, as required by these rules.Note.-Unless shown to the satisfaction of the Government that the car, which was previously purchased with an advance from the Government is beyond repairs further advance for the purchase of a car shall not be granted within five years of the drawl of the previous advance.

9. Completion of negotiations.

- A Minister, who draws an advance for the purchase of a motor car, is expected to complete his negotiations for the purchase of, and pay finally for the car within one month of his drawing the advance; failing such completion and payment. the full amount of the advance drawn, with interest thereon for the month, shall be refunded to Government. This condition shall always be mentioned in letters sanctioning such advances.Note.-A Minister, who [purchase] [Substituted by Dated 8-4-1968, Published in Rajasthan Government Gazette part 4-(c), dated 23-5-1968.] a motor car

after he applies for Government advance and arranges to pay for it. by raising a temporary loan from private resources or by arrangements with his banker, is also permitted to draw the advance, subject to other conditions being satisfied, provided the car was purchased within three months of applying for an advance.

10. Execution of agreement and mortgage bond.

- At the time of drawing the advance, the Minister shall execute an agreement in Form I; and on completing the purchase, he shall execute a mortgage bond in Form 11, hypothecating the car to the Government as security for the advance. The cost price of the car shall be entered in the schedule of specifications, attached to the mortgage bond.

11. Certificate to Accountant General.

- When an advance is drawn, the sanctioning authority shall furnish to Accountant General a certificate that the agreement in Form I has been signed by the Minister drawing the advance and that it has been examined and found to be in order. The sanctioning authority shall see that the motor car is purchased within one month from the date on which advance is drawn and shall forward [the] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] mortgage bond promptly to Accountant General for examination before final record. Note.-No extension of the aforesaid period for the purchase of car will ordinarily be allowed. If in view of any exceptional circumstances of the case it is considered necessary to allow extension in any case the interest during the period of extension will be charged at the rate as prescribed in rule 6.

12. [Intimation to the Life Insurance Corporation of India of Government's interest in insurance policy of motor car. - The Accountant General, on receipt of the certificate prescribed in rule 11. will obtain from the Minister, drawing the advance, a letter in Form III to the Life Insurance Corporation of India, with which the motor car is insured, to notify to them the fact that the Government is interested in the insurance policy secured. He will himself forward the letter to the Corporation and obtain their acknowledgment. In the case of insurance effected on annual basis, this process should be repeated every year until the advance has been fully repaid to Government] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966],

The amount for which the car is insured during any period should not be less than the outstanding balance of the advance with interest accrued at the beginning of that period and the insurance should be renewed from time to time until the amount due is completely repaid.

13. 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 bond shall be returned to the Minister concerned duly cancelled, after obtaining a certificate from the Accountant General as to the complete repayment of the advance and interest. Form I Form of agreement to be executed at the time of drawing an advance for the purchase of a motor car by Minister An agreement made this day of..... on thousand nine hundred and..... Between Shri a Minister (thereinafter called "the borrower", which expression shall include his heirs, administrators, executors and legal representatives and assignees) of the one part and the Governor of Rajasthan (hereinafter called "the State Government" which expression shall include their successors and assignees) of the other part. Whereas the borrower has under the provisions of the rules regulating the grant of advances to Minister for purchase of motor cars, made under the Rajasthan Ministers Salaries Act, 1956, applied to the State Government for a loan of Rs (Rupees only) for the purchase of a motor car and the Government 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 thereto that in consideration of the sum of Rs..... paid by the State Government to the borrower (the receipt of which the borrower hereby acknowledges), the borrower hereby agrees with the State Government:-(1) to pay the State Government the said amount with interest calculated according to the said rules by monthly deductions from his salary' as provided in the said rules and hereby authorise the State 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 State Government forthwith: and (3) to execute a document hypothecating the said motor car to the State Government as security for amount lent to the borrower as aforesaid and interest in the form provided by the said rules: (4) to insure the said car against damage or loss with Life Insurance Corporation of India. (5) to pay to the Government any sum accruing to the borrower under the insurance on account of any loss or damage to the conveyance during the currency of these presents and provided by the said rules. And it is hereby lastly agreed and declared that if the said motor car has not been purchased, insured and hypothecated as aforesaid within one month from the 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 immediately become due and payable. And if after relinquishing office, the borrower fails to refund the entire loan or the balance outstanding, together with interest, in lump sum the recovery may be effected as arrears of land revenue, without prejudice to any other remedy available under the law. In witness whereof the borrower and for and on behalf of the Government of Rajasthan have hereunto set their hands the day said the year first before written. Signed by the said Shri..... in the presence of...

1. Witness.....

Signature.....Occupation.....Address.....

2. Witness.....

Signature.....Occupation.....AddressSigned by.....on behalf of the Governor of Rajasthan.Signatures.....Designation.....In the presence of

1. Witness.....

Signature.....Occupation.....Address.....

2. Witness.....

SignatureOccupation.....Address.....Form IIForm of Mortgage Bond for Motor Car Advance to MinisterThis Indenture made this.....day of.....one thousand nine hundred and seventy between Shri ... resident of..... (hereinafter called "the borrower", which expression shall include his heirs, administrators, executor and legal representatives) of the one part and the Governor of Rajasthan (hereinafter called "the State Government" which expression shall include its successors and assignees) of the other part.Whereas the borrower has applied for and has been granted an advance of Rs..... to purchase a motor car on the terms and conditions prescribed under the rules to regulate the grant of advances to Ministers for the purchase of motor cars made under the Rajasthan Ministers Salaries Act. 1956 (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 Government 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 witness the that in pursuance of the said agreement and for the consideration aforesaid the borrower doth hereby covenant to pay to the Government 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 upto the State Government the motor car, the particulars whereof are set out in the Schedule 1 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 car and that the same is his absolute property, and that he has not pledged and, so long as any money remain payable to the Government in respect of the said advance will not sell, pledge or part with the property in or possession of the said motor car. Provided always and it is hereby agreed and declared that if any of the said instalment of principal or interest shall not be paid or recovered in manner aforesaid within 10 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 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 judgment 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 State Government may on the happening of any of the events hereinbefore mentioned seize and take possession of the said motor car and either remain in possession thereof without removing the same or else may remove and sell the said motorcar either by public auction or private contract and may out of the sale money retain the balance of the said advance then remaining unpaid 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 Government 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 State Government he, the borrower will insure and keep insured the said motor car on comprehensive basis, with [the Life Insurance Corporation of India, the Corporation] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12-1966.] with whom the said motor car is insured have received notice that the State Government is interested in the policy and the borrower hereby further agrees that he will not permit or suffer the 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 conveyance Maker's name.....Description.....No. of Cylinder.....Engine Number.....Chassis/Frame No.....Cost Price.....Other distinguishing particulars, if any. In witness whereof the said (borrower) and for and on behalf of the Governor of Rajasthan have hereunto set their respective hands the day and year first above written. Signed by the aforesaid mortgagor In the presence of

1. Witness.....

Signature.....Occupation.....Address.....

2. Witness.....

Signature.....Occupation.....AddressSigned on behalf of the Governor of the State of Rajasthan. Signature.....Designation.....In the presence of

1. Witness.....

Signature.....Occupation.....Address.....

2. Witness.....

Signature.....Occupation.....Address.....Form III Letter intimating to the Insurance Company the Government's interest in Insurance policies of motor cars, etc. From To, (Through the Accountant General of Rajasthan) Dear Sir, I am to inform you that the Governor is interested in the Motor Car Insurance Policy No..... secured [in your Corporation] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] and to request that you will kindly insert a clause to the following effect in the policy. Form of clause to be inserted in Insurance Policy.

1. It is hereby declared and agreed that Shri (the owner of the Motor Car/Cycle hereinafter referred to as the insured in the schedule to this policy) has hypothecated the Motor Car/Cycle to the Governor of Rajasthan (hereinafter called the Government) as security for an advance for that purchase of the Motor Car/Cycle and it is further declared and agreed that the Government is interested in any moneys which but for this endorsement be payable to the said Shri (the insured under this policy) in respect of loss or damage to the said Motor Car/Cycle (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 he is the mortgagee of the Motor Car/Cycle and his receipt shall be full and final discharge to [the Life Insurance Corporation] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] in respect of such loss or damage.

2. Save as by this endorsement expressly agreed nothing hereto shall modify or affect the rights or liabilities of the insured or [the Life Insurance Corporation] [Substituted by Dated 14-12-1966, Published in Rajasthan Government Gazette part 4-C (Extraordinary), dated 15-12 1966.] respectively, under or in connection with this policy or any term, provision or condition thereof.

Yours faithfully. Place.....Date.....Signature.....Designation.....