[1]THE LEADERS OF OPPOSITION IN PARLIAMENT (ADVANCE FOR MOTOR CAR) RULES, 1991

Q.S.R. 270 (E) .— In exercise of the powers conferred by Section 10 read with Section 8A of the Salary and Allowances of Leaders of Opposition in Parliament Act 1977, the Central Government hereby makes the following rules to regulate the grant of advance for purchase of motor car to the Leaders of Opposition, namely :—

1**. Short title and commencement**:—

(1) These rules may be called the Leaders of Opposition in Parliament (Advance for Motor Car) Rules, 1991.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. **Maximum Amount of Advance**.— The maximum amount which may be advanced to a Leader of Opposition in Parliament for the purchase of a motor car shall not exceed rupees[2] one lakh or the actual price of the motor car, which is intended to be purchased, whichever is less.

3. **Repayment of Advance** .—(1) Recovery of the advance granted under rule 2, together with interest thereon, shall be made from the salary bill of the Leader of Opposition 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 Leader of Opposition 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.—(1) 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 is to be recovered.

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

4. **Sale of Motor Car** .— (1) Except when a Leader of Opposition relinquishes his office, the previous sanction of the Government shall be obtained for the sale by the Leader of Opposition 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 a Leader of Opposition wishes to transfer the motor car and the liability attaching thereto to another Leader of Opposition, he may be permitted to do so under the orders of the Government provided that the purchaser i.e., Leader of the Opposition, records a declaration that he is aware that the motor car transferred to him remains subject to mortgage to the Government and that he is bound by the terms and provisions of the mortgage bond.

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[1] Notification No. F. 14 (2)/89-WS dated 8.5.1991 - G.S.R. 270 (E) published in the Gazette of India Extraordinary, Part II- Section 3 - Subsection (ii) dated 8.5.1991. Corrigendum G.S.R No.347 (E) dated 19.7.1991.

[2] Substituted vide G.S.R. No. 133(E), published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dt 23.3.2.1999 effective from 23.2.1999.

(2)In all cases, where a motor car is sold before the advance with interest thereon 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, the Government may permit the Leader of Opposition 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 mortgaged to the Government and also insured.

5. **Period within which Negotiations for purchase of Car may be completed** .— A Leader of the Opposition who draws an advance for the purchase of a motor car, shall complete negotiations for the purchase of, and make final payment for the motor car, within one month of the date on which he draws the advance; falling such completion and payment, the full amount of the advance drawn, with interest thereon for one month, shall be refunded to the Government- The period of one month for completion of the deal may, however, be related by the Government in individual cases. 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 Leader of Opposition.

6. **Execution of Agreement** .— At the time of drawing the advance, the Leader of Opposition shall execute an agreement in Form I and; on completing the purchase, he shall further execute a mortgage bond in Form II hypothecating the motor car to the Government as a security for the advance. The cost price of the motor car shall be entered in the schedule of specifications attached to the mortgage bond.

7. **Certificate of the Accounts Officer** .— When an advance is drawn, the sanctioning authority shall furnish to the Accounts Officer a certificate that the agreement in Form I has been signed by the Leader of Opposition 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 or such period as may have been specifically allowed in individual cases, by the Government for completion of the deal under rule 5, and shall submit every mortgage bond promptly to the Accounts Officer 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 together with the Interest thereon has been fully repaid, the bond shall be returned to the Leader of Opposition concerned duly cancelled, after obtaining a certificate from the Accounts Officer as to the complete repayment of the advance and interest.

9. **Insurance of Motor Car**.—The motor car purchased from the advance shall be fully insured against 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 the 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.

FORM I

(Rule 6)

Form of agreement to be executed at the time of drawing an advance for the purchase of a motor car

An agreement made this……..... day of.……one thousand nine hundred and ……BETWEEN Shri……Leader of the Opposition in Parliament (Lok Sabha/Rajya Sabha) (hereinafter called the Borrower, which expression shall include his legal representatives and assignee) of the one part and the President of India (hereinafter called the Central Government) of the other part.

Whereas the Borrower has under the Leaders of Opposition in Parliament (Advance for Motor Car, Rules, 1991, 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.

2. Now it is hereby agreed between the parties hereto that in consideration of the sum of Rs……(Rupees……. only) paid by the Central Government to the Borrower (the receipt of which the Borrower hereby acknowledges), the Borrower hereby agrees with the Central Government—

(i) 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 authorises the Central Government to make such deductions.

(ii) 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

(iii) 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

And it is hereby lastly agreed and declared that if the motor cans not purchased 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 otherwise ceases to be a Leader of the Opposition or dies, the whole amount of the loan and interest accrued thereon shall Immediately 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……...

FORM II

(Rule 6)

Form of mortgage bond for motor vehicle advance

This Indenture made this.....……..... day of…….....
one thousand nine hundred and ninety ..... 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 assigns) 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 2 of the Leader of Opposition in Parliament. (Advance for Motor Car) Rules, 1991 (hereinafter referred to as "the said Rules") AND WHEREAS one of the condition 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 convenant to pay to the President the sum of Rupees ……(Rs.....…….....) aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payment of Rupees..... (Rs.....……..) each on the first day of every month and will pay interest on the sum for the time being remaining due the 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 President the Motor Vehicle the particulars whereof are set out in the Schedule hereunder 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 the manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time relinquish his office or otherwise cease to be a Leader of the Opposition 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 judgment against the Borrower, the whole of

the said principal sum which snail 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 here-in-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 or private contract and may, out of the sale money retain the balance of the said advance then remaining unpaid and interest due thereon calculated as aforesaid and all costs, charges, expenses and payments properly incurred or made in maintaining, defending or realising 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 or 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 fail short of the amount owing;

And the Borrower hereby further agrees Chat 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 Accounts Officer concerned and will produce evidence to the satisfaction of the Accounts Officer 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 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
Mo. of Cylinders
Engine Number
Chassis Number
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……... ……

(Signature of witnesses) (Signature and designation of the Borrower)

Signed by (name and designation)
…….
…….

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

1…….. ……
2…….. ……

(Signature or witnesses) (Signature and designation of the Officer)

Name and designation of the Borrower ……...

FORM III

(Rule 9)

For the clause to be inserted in Insurance Policy

IndiaCode

It is hereby declared and agreed that Shri ..... (the owner of the Motor Car hereinafter referred to as the insured in the Schedule to this policy) has hypothecated the car to the President of India hereinafter called the "Government", as security for advances for the purchase of Motor Car and it is further declared and agreed that the said Government are interested in money and which but for this endorsement would be payable to the said Shri .....…... (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-affect 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.

[No.F. 14(2)/89-WS]