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THE MANIPUR MINISTERS, SPEAKERS AND CHAIRMAN  
HILL AREAS COMMITTEE OF THE LEGISLATIVE ASSEMBLY  
( GRANT OF MOTOR CAR ADVANCE ) ~~BILL~~, 1976.

A n  
BILL AD-

to provide for the facilities for grant of Motor Car Advance to the Ministers, Speakers and Chairman Hill Areas Committee of the Legislative Assembly.

It is hereby enacted in the Twenty-seventh year of the Republic of India as follows :—

1. (1) This Act may be called the Manipur Ministers, Speakers and Chairman, Hill Areas Committee of the Legislative Assembly (Grant of Motor Car Advance) Act, 1975.

Short title  
and com-  
mencement.

(2) It shall come into force with immediate effect.

2. In this Act, unless the context otherwise requires :—

Definitions.

(a) "Chairman" means Chairman of the Hill Areas Committee of the Legislative Assembly, Manipur ;

(b) "Form" means a form specified in the Schedule appended to this Act ;

(c) "Minister" means a member of the Council of Ministers by what name called, and includes a Minister of State and a Deputy Minister ;

(d) "Speaker" means the Speaker of the Legislative Assembly of Manipur and includes Deputy Speaker ;

(e) words and expressions not defined herein but defined in the Salaries and Allowances of Ministers ( Manipur ) Act, 1972 ( Manipur Act No. 3 of 1972 ) shall have the meaning respectively assigned to them in that Act.

3. The total amount of advance which may be granted to a Minister for the purchase of a motor car shall not exceed sixteen thousand rupees or sixteen months' salary of the Minister or the anticipated price of the motor car whichever is less. If the actual price of the motor car paid by the Minister is less than the amount of the advance, the Minister shall refund the balance to the Government forthwith.

Amount of  
advance.

EXPLANATION. 1—For the purpose of this section "salary" does not include conveyance and other allowances.

**EXPLANATION. 2** In this section the expression "actual price" includes sales tax and cost of such items, e.g. spare wheel, tyre and tube on the purchase of which the purchaser has no choice. It does not, however, cover the cost of certain accessories, e.g. radio in a car, plastic covers, which are not essential and are purchased by the customer of his own volition. Insurance and registration charges of the vehicles are also not included in the "actual price" and shall also cover in the case of first purchase the following items—

(i) Cost of transportation of the conveyance upto the place of duty of the Minister at the time of purchase irrespective of whether the transport is arranged by the distributors or by the Minister himself ; and

(ii) the octroi charges actually paid.

**Recovery of Advance.** 4. Recovery of an advance granted to the Minister for the purchase of a motor car shall be made from him in such number of equal monthly instalments as he may elect, but such number shall not be more than sixty. The Minister may, at his option, repay more than one instalment in a month, the instalment or instalments so repaid being equals or multiples of the regular monthly instalment.

**Commencement of recovery.** 5. The recovery of the advance shall commence on the first issue of his salary after the advance is drawn, by way of deduction from his bill. In case the Minister intends to repay by making any further instalment during the period before the issue of his subsequent salary, the same may be made through chalan.

**Interest.** 6. Simple interest at such rates as may be fixed by the Government from time to time shall be charged on an advance granted to a Minister for the purchase of a motor car. Such interest shall be calculated on the balance outstanding on the last day of each month.

**Instalments of interest.** 7. The amount of interest calculated under section 6 shall be recovered in the minimum number of monthly instalments, the amount of each such instalment being not greater than the amount of instalment fixed for the recovery of the advance, commencing on the month immediately following that in which repayment of the advance is completed.

**Recovery of balance before vacating office.** 8. Where a Minister vacates office before the completion of repayment of the advance drawn by him, the entire balance remaining unpaid out of the advance so drawn together with interest due thereon shall be repaid by the Minister in one lump sum before he vacates office :

**Restriction on sale or transfer.** 9. A Minister shall not sell or transfer the motor car for so long as the amount of advance together with the interest thereon is not completely repaid, except with the permission of the Governor.

**Refund of advance.** 10. Unless the Minister who is sanctioned an advance for the purchase of a motor car completes the purchase of, and pays for, the motor car within one month from the date on which he draws the advance, he shall refund forthwith the full amount of advance drawn together with interest on that amount for one month ;

Provided that the Governor may, if for special reasons he thinks fit, extend the period of one month upto a period of two months.

11. A Minister shall, on the date on which he draws an advance, execute an agreement in Form I. On completing the purchase of the motor car, he shall also execute within one month from the date of purchase, a mortgage bond in Form II hypothecating the motor car to the Governor as security for advance.

Agreement  
and mort-  
gage bonds.

12. (1) A Minister who purchases a motor car with an advance obtained from the Government shall, from the date of its purchase comprehensively insure, and so long as the advance and the interest on such advance is not fully repaid, keep so insured the motor car against loss or damage by fire, theft or accident.

Insurance.

(2) An insurance proposal in Form III shall be forwarded by the Minister to the Accountant General, Manipur through the Government of Manipur in the Finance Department.

13. The amount for which a motor car is insured for any period shall not be less than the outstanding balance of the advance, with interest accrued, at the beginning of that period but if such amount is less, the difference shall be refunded to the Government forthwith in not more than three equal monthly instalments.

Amount of  
insurance.

14. In so far as the provisions for sale, transfer, insurance, or mortgage of the motor car purchased with the advance granted to a Minister or for the mode of calculation of interest on the advance or for repayment thereof have not been made by this Act, the matters shall be regulated by the rules and decisions of the Government of India as laid down in the General Financial Rules from time to time and applicable to Class I Officers serving in connection with the State of Manipur.

Applicability of rules  
and decisions  
of Govt. of  
Manipur to  
certain  
matters.

15. The foregoing provisions of this Act shall mutatis mutandis apply to the grant of motor car advance to, and its repayment by the Speaker and Chairman of the Hill Areas Committee and to all other matters relating thereto as they apply to the grant of such advance to and its repayment by a Minister.

Applicability of rules  
to speaker  
and Chairman  
of the Hill Areas  
Committee.

16. (1) On and from the date of commencement of this Act and existing the Manipur Ministers and Speaker (Grant of Motor Car Advance) Rules, 1965 shall stand repealed.

Repeal and  
Saving.

(2) Anything done or any action taken (including any notification, order, Form, made or issued) under the repealed Rule shall in so far as it is not inconsistent with the provision of this Act, continue in force unless and until it is superseded by any thing done or any action taken in accordance with law.

SCHEDULE

FORM 1

( See section 11 )

FORM OF AGREEMENT TO BE EXECUTED BEFORE  
DRAWING AN ADVANCE FOR THE PURCHASE OF A MOTOR  
VEHICLE

An AGREEMENT made on \_\_\_\_\_ 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 Governor of Manipur ( hereinafter called the Governor,  
which expression shall include his successors and assignees ) of the  
other part.

Whereas the Borrower has under the provisions of the Manipur  
Ministers, Speakers and Chairman of the Hill Areas Committee ( Grant  
of Motor Car Advance ) Act, 1975 ( hereinafter referred to as the said  
Rules which expression shall include any amendments thereof for the  
time being in force ) applied to the Governor for a loan of Rs. \_\_\_\_\_  
\_\_\_\_\_ for the purchase of a motor vehicle and whereas the  
Governor 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 Governor to the Borrower, the Borrower hereby agrees with the  
Governor (1) to pay the Governor the said amount with interest  
calculated according to the provision of the Act by monthly deductions  
from his salary as provided in the said Act and hereby authorises the  
Governor to make such deductions, and (2) within one month from the  
date of payment of the said sum to expend the full amount of the said  
loan in purchase of a motor vehicle or if the actual price paid is less  
than the loan, to repay the difference to the Governor forthwith,  
and (3) to execute a document hypothecating the said motor vehicle  
to the Governor as security for the amount to be lent to the  
Borrower as aforesaid and interest in the form provided by the said  
Rules and IT IS HEREBY AGREED AND DECLARED THAT IF  
THE MOTOR VEHICLE has not been purchased and 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 quits  
office or dies, the whole amount of the loan and interest accrued  
thereon shall immediately become due and payable.

IN WITNESS whereof the BORROWER and \_\_\_\_\_; for  
and on behalf of the Governor have hereunto set their hands the  
day and year first before written.

(5)

\* 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 Governor  
of Manipur in the presence of

1. \_\_\_\_\_

2. \_\_\_\_\_

( Signature of witness )

\_\_\_\_\_  
\_\_\_\_\_  
( Signature and designation of  
the Officer ).

\* Name and designation of the Borrower.

## FORM II

( See section 11 )

FORM OF MORTGAGE BOND FOR MOTOR VEHICLE  
INITIAL 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 Governor of Manipur ( hereinafter called the "Governor" ) 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 under the Manipur Minister, Speaker and Chairman Hill Areas Committee ( Grant of Motor Car Advance ) Act, 1975 ( hereinafter referred to as "the said Act" ) which expression shall include any amendment thereof or addition thereto for the time being in force ;

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 Governor as a security for the amount lent to the Borrower ;

AND WHEREAS the Borrower has purchased with or partly with the amount so advanced as aforesaid 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 Governor the sum of Rs. \_\_\_\_\_ aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payments 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 Act and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary in the manner provided by the said Act. And in further pursuance of the said agreement the Borrower doth hereby assign and transfer unto the Governor 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 remain payable to the Governor in respect of the said advance, will not sell, pledge or part with the property in or possession of the said Motor Vehicles ;

**PROVIDED ALWAYS**, and it is hereby agreed and declared, that if any of the said instalments 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 cease to be in 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 Governor 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 or 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 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 of taking possession or selling of the said Motor Vehicle shall not prejudice the right of the Governor, 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 Governor, 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 Governor 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** the Borrower further agrees 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.

#### **Description of Motor Vehicle**

**Maker's Name**

**Description**

**No. of Cylinders**

**Engine Number.**

**Chassis No.**

**Cost Price.**

(8)

IN WITNESS WHEREOF THE said

..... ( Borrower's

name ) and ..... for

and on behalf of the Governor  
have hereunto set their respective  
hands the day and year first above  
written.

\*Signed by the said

.....

In the presence of

1. ....

Signature and designation of  
Borrower.

2. ....

( Signature of Witness )

Signed by ( name and designation )

.....

for and on behalf of the Governor  
of Manipur in the presence of

1. ....

Signature and designation of  
Officer.

2. ....

(Signature of Witness)

\*Name and designation of the Borrower.



(9)

THE MANIPUR MINISTERS, SPEAKERS AND CHAIRMAN,  
HILL AREAS COMMITTEE ( MOTOR CAR ADVANCE )  
Act 1975.

FORM III  
( See section 12 )

LETTER INTIMATING TO THE INSURANCE COMPANY  
GOVERNMENT'S INTEREST IN INSURANCE POLICIES  
OF MOTOR CARS, ETC.

From

To

( Through the Accountant General )

Dear Sir,

I am to inform you that the Governor of Manipur is interested in the Motor Car insurance Policy No. . . . . secured in your Company and to request that you will kindly insert a clause to the following effect in the policy :—

FORM OF CLAUSE TO BE INSERTED IN THE INSURANCE  
POLICY

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 Governor of Manipur ( hereinafter called the Governor ) as security for an advance for the purchase of the Motor Car and it is further declared and agreed that the Governor is interested in any monies which, but for this endorsement, may 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 monies shall be paid to the Governor as long as he is the mortgage of the Motor Car and his 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 connection thereof."

Place

Date

Yours faithfully,

Forwarded. The receipt of the letter may kindly be acknowledged. It is also requested that the undersigned may kindly be informed whenever any claim is paid under the policy and also if the premium is not periodically paid for renewal.

Place

( Signature )

Date.

( Designation of the Accounts Officer )

## STATEMENT OF OBJECTS &amp; REASONS

The existing Manipur Ministers and Speaker. (Grant of Motor Car Advance) Rules, 1965 does not provide for the grant of Motor Car advance to State Minister, Deputy Speaker and Chairman, Hill Areas Committee. The existing Rules relates to the period when Manipur was a Union Territory as such it is essential to frame fresh Rules. The Council of Ministers in its 40th Cabinet Meeting decided to promulgate an Ordinance providing provisions for Motor Car Advance to the Minister of State, Deputy Minister, Deputy Speaker and Chairman, Hill Areas Committee of the Legislative Assembly. Hence the draft bill.

Imphal, the ...1976

R.K. DORENDRA SINGH

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