ANNEXURE I

METHODOLOGY

The following Methodology will be adopted for collection of facts, figures and information in order to write thesis on "An Analytical Study of Hire Purchase of Commercial Vehicles in India since Independence".

1. Preparation of questionnaires

As a basis for analytical study of the various aspects of hire-purchase and commercial vehicles, to set questionnaires for:

- Manufacturers of commercial vehicles;
- Hire-purchase financiers;
- Commercial vehicle operators.

2. Consultations

Officials of vehicle manufacturers, finance companies, transport companies, banks, insurance companies as well as tax consultants, lawyers and law and order authorities to be consulted on various aspects of hire-purchase and allied topics.

3. Personal Interviews

Experienced and authoritative persons engaged or concerned with hire-purchase to be personally interviewed.

4. Seminars and Conferences

Seminars, conferences and meetings of various associations and other bodies to be attended where, besides the formal proceedings, matters will be discussed with the delegates. When convenient, conferences and meetings will be convened to provide forum for frank exchange of views followed by question and answer debate.

Next page please ....
5. Visits

Works of vehicle manufacturers, factories of ancillary producers, repair and maintenance workshops will be visited to study their set ups and working. Also dealerships of vehicles and spare parts will be visited to study their working and understand their working and difficulties.

Offices of hire-purchase companies will be visited to study their working procedures, accounting, financier-hirer relationship and profitability. Discussions will be held to go into their problems and at the same time inviting their suggestions.

6. Libraries

Besides adding to the mini-library at home, to visit various other libraries to read and borrow books and publications relevant to the study.

7. Published materials

A bibliography of books, periodicals, reports, enactments, case law etc. will be drawn up as a continuing process and the same will be procured to collect and compile facts, figures and relevant data.

8. Group Discussions

Discussions on various occasions will be held with groups of hire-purchase financiers, small operators, fleet operators and their crew with a view to understand their problems and to find out solutions.

9. Law Courts

Law courts will be attended where cases pertaining to any aspect of hire-purchase would be heard, argued and decided.

Next page please ....
10. Research and Development

Selected R & D establishments on small and large scale will be visited to study their working, achievements, aspirations, projected plans and requirements.

11. Random Sampling Method

Random Sampling Method will be adopted wherever feasible.

12. Data Collection

Primary data will be collected by field surveys and secondary data will be collected and compiled from books, publications, reports and periodicals.

13. Classification and Tabulation of Data

Data collected from various sources will be classified and tabulated according to the requirements of the research work as basis for drawing conclusions.

14. Analysis and Interpretation

All data material will be analysed, verified and reconciled so as to arrive at correct interpretation.
The researcher contacted manufacturers of commercial vehicles, their dealers and their staff at various levels as well as their associations to elicitate information / statistics as per the following questionnaire.

**QUESTIONNAIRE**

**FOR**

Manufacturers of Commercial Vehicles

1. Name and address
2. Year of establishment
3. Places of production units
4. Vehicles manufactured
   - Year
   - Trucks
   - Buses
   - LCV
   - Jeeps
   - 3-wheelers
5. Foreign collaborations
   - Names of collaborators, purpose and duration
   - Indigenisation schedule
6. Training facilities for specialised jobs
7. Nature and extent of ancillary support
8. Sales set-up
9. Dealership network
10. Break-up of vehicles sold during the last 5 years
11. Export performance for the last 5 years
12. R & D set-up and achievements
13. Achievements of your hire-purchase department or subsidiary / associate concern
   - No. of contracts financed
   - Stock-on-hire (end of year)
14. In what respects you claim your hire-purchase facility better than (i) your competitors (ii) hire-purchase companies?
15. Your suggestions for
   - i more and better production
   - ii more sales
   - iii better export performance
   - iv stronger hire-purchase support
16. Any other information you would like to supply and suggestions you would like to offer

Request: Please send a copy of your latest annual accounts.

ALL INFORMATION SUPPLIED WILL BE TREATED AS CONFIDENTIAL.
The researcher contacted a large number of hire-purchase financiers and their staff in different parts of the country and attended their conferences and conventions to seek information / statistics as per the following questionnaire.

**QUESTIONNAIRE**

for

Hire-Purchase Financiers

1. Name and address

2. Status - individual, proprietary concern, registered firm, limited company

3. Year of establishment

4. Offices, branches and area of operation

5. Your associate/sister concerns engaged in hire-purchase business

6. Are you or your associate concern an authorised dealer of commercial vehicles, If affirmative:
   i. Name of principal
   ii. Dealership held since (year)
   iii. Districts covered under franchise

7. Resources (latest figures)
   i. Own funds (capital and free reserves)
   ii. Bank borrowings:
      a. with HP insurance guarantee
      b. without HP insurance guarantee
   iii. Public deposits
   iv. Your plans to augment resources
   v. Difficulties experienced in attracting public deposits upto the limit of your entitlement
   vi. Difficulties in obtaining enhancement of bank facilities

8. Hire-purchase achievement

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of contracts</th>
<th>Amount financed</th>
<th>Stock-on-hire (end of year)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

New vehicles
Old vehicles
Goods other than vehicles

Next page please...
9 Leasing achievement

<table>
<thead>
<tr>
<th>Year</th>
<th>Description of leased assets</th>
<th>Value of leased assets (year end)</th>
</tr>
</thead>
</table>

10 Strength of collection cell with category-wise break-up.

11 Achievement of the collection cell: realisation during the last three years

12 Problems in realisation of instalments

13 Flat rate of hire charged during the last three years:
   - New vehicles
   - Old vehicles

14 Do you charge service charge or any other charge and how much?

15 Difficulties and suggestions in respect of the various laws affecting hire purchase

16 Your views on laws governing hire-purchase contracts at present and Hire-purchase Act whenever it may be enforced.

17 Your problems with hirers and suggestions for their solution.

18 Suggestions as to how you would be in a netter position to serve your customers.

19 Any other information you would like to supply and suggestions you would like to offer

Request: Please send a copy of your latest annual accounts.

ALL INFORMATION SUPPLIED WILL BE TREATED AS CONFIDENTIAL.
The researcher contacted owners of single or a few vehicles and fleet operators (most of them hirers or ex-hirers), office-bearers of their representative bodies and attended their conferences and conventions to seek replies to the following questionnaire. He also convened meetings with groups of operators for this purpose.

**QUESTIONNAIRE**

for

**Vehicle Operators**

1. Name and address
2. Status: individual, family concern, partnership, limited company, cooperative society
3. Year of starting operation, progressive addition to the number of vehicles and modes of their acquirement
4. Are you a driver-owner?
5. Number of vehicles
   - Owned (unencumbered)
   - Under hire-purchase
   - Under bank finance
   - Any other finance
6. How many vehicles do you operate?
   - Yourself
   - Attached to fleet operators/booking agencies
   - Attached to state transport undertaking
7. Life of your vehicles
   - Below 5 years
   - Between 5 and 10 years
   - Between 11 and 15 years
   - Above 15 years
8. Your views regarding replacement of economically non-viable old vehicles
9. Are the earnings from the vehicles adequate to meet operational costs and repayment of hire-purchase/bank borrowing?
10. What are your operational problems?
11. Since you started operation, the number of vehicles surrendered to hire-purchase financier / bank seized by hire-purchase financier / bank
12. Major accidents, if any, met by your vehicle/s

Next page please .....
13 Difficulties in receiving full amount of claims
14 Your problems vis-a-vis hire-purchase financier, terms of hire-purchase contract and your suggestions
15 Your suggestions regarding
   booking agencies
   roads and traffic
   check posts
   amenities for operating crew
16 Any other information you would like to supply and suggestions you would like to offer

ALL INFORMATION SUPPLIED WILL BE TREATED AS CONFIDENTIAL.
ANNEXURE V

VIEWS OF IMPORTANT PERSONALITIES

FOREIGN

Augustin V Que, TA Associates, Boston, Massachusetts, Hong Kong Leasing Association
Charles Kettering, Head of Research & Development, General Motors
Charles W. Ferrier, Assistant Secretary, Finance Houses Association (UK)
Dresden Bank of Frankfurt
Kaichi Kanao, Vice President, Nissan Motor Company, Japan
Lambert Ford Tractor Inc. Griffin, Georgia, USA
Robert Diemert, Director, TFE, Eurotransit, Strasbourg, France
Thomas H. Macdonald, Father of American Highways

INDIAN

Barjatia, P.C. Senior Scientist, Central Institute of Road Transport, Pune
Bureau of Hire Purchase, Telco, Bombay
Devasahayam, Commissioner, Hissar and former Transport Controller, Haryana
Hajela Kuldeep K. (Economic Times)
Jawaharlal Nehru, Father of Indian Planning
Jha, Dr. L.K., Chairman, Economic Administration Commission, Government of India
Kabra, Kamal Nayan (Financial Express, Bombay)
Kamath, K.V., Chief, Leasing, ICICI, Bombay
Krishnamurti P. (Financial Express, Bombay)
Moolgaokar S., Chairman, Tata Engineering & Locomotive Co. Ltd., Bombay
Mukherji, Rabin, Minister-in-charge, Home (Transport), Government of West Bengal
Nadkarni, V.N. (Economic Times, Bombay)
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>I(iv)</td>
<td>Patankar, P.G., Director, Central Institute of Road Transport, Pune</td>
</tr>
<tr>
<td>I(i)</td>
<td>Paripurnanand Verma, Kanpur</td>
</tr>
<tr>
<td>VI(iii)</td>
<td>Parthasarathy, S. Manager, Central Office, Overseas Expansion, State Bank of India</td>
</tr>
<tr>
<td>II(ii)</td>
<td>Punja, M.R.B., Chairman, IDBI</td>
</tr>
<tr>
<td>III(i)</td>
<td>Raman, G.K. Secretary-General, Federation of Indian Hire Purchase Associations (Madras)</td>
</tr>
<tr>
<td>II(ii)</td>
<td>Sampathkumar, D. Madras (in Programme on Hire Purchase Material)</td>
</tr>
<tr>
<td>V(i)</td>
<td>Seth, S.K., Managing Director, General Insurance Corporation of India</td>
</tr>
<tr>
<td>VI(iii)</td>
<td>Sethuraman, A. (Economic Times)</td>
</tr>
<tr>
<td>III(vii)</td>
<td>Shahaney, R.J. President, Association of Automobile Manufacturers; Chairman, Ashok Leyland</td>
</tr>
<tr>
<td>IV(v)</td>
<td>Shiv Nair, P.V. (Financial Express)</td>
</tr>
<tr>
<td>VI(iii)</td>
<td>Shiv Shanker, Union Minister for Law, Justice and Company Affairs</td>
</tr>
<tr>
<td>I(iv)</td>
<td>Sinh, P., President, Indian Roads and Transport Development Association</td>
</tr>
<tr>
<td>III(vii)</td>
<td>Talwar, Pran, President, Automobile Manufacturers Association, Bombay</td>
</tr>
<tr>
<td>II(i)</td>
<td>Tiwari, N.D., Union Minister for Industry</td>
</tr>
<tr>
<td>II(iv)</td>
<td>Ved Prakash, President, Federation of Indian Hire Purchase Associations, New Delhi</td>
</tr>
<tr>
<td>III(i)</td>
<td>VI(iii)</td>
</tr>
</tbody>
</table>
PERIODICALS

Daily
Daily Jagaran, Kanpur
Economic Times, New Delhi, Calcutta.
Financial Express, Bombay, New Delhi
Hindu, Madras
Hindustan Times, New Delhi
Indian Express, New Delhi

Bi-weekly
IPS News Bulletin, New Delhi
(Indian Press Service)

Weekly
Transtopics News Weekly, Bombay

Fortnightly
IRTDA News Letter, Bombay
(Indian Road Transport Development Association)

Monthly
Automobile Engineer & Trader
Automobile India
Business India, Bombay
Business Standard, Calcutta
FADA News Letter, Bombay
(Federation of Automobile Dealers Associations)
FIHPA News, New Delhi
(Federation of Indian Hire Purchase Associations)
Motor Transport, New Delhi
State Bank of India, Monthly Review

Occasional
Telco Dealers News, Bombay
Telco Flashes, Bombay
Telco Parivar, Bombay

Others
Accounting Review
Financial Lease Evaluation under Conditions of
Uncertainty - Wyman H.E.
Herald Business Review
Lease or Borrow - New Method of Analysis
Vancil R.F.
Journal of Finance
Analysis of the Lease or Buy Decision
Johnson W.R. and Lewellen W.G.
Management Science
The derivation of Probabilistic Information
for the Evaluation of Risky Investment
Hillier F.S.
ANNEXURE VIII

ENACTMENTS

India

Andhra Pradesh Act 18 of 1985
Banking Laws (Amendment Act 1983
Bihar Finance Bill 1984
Bombay Act No. III of 1903
Bombay Act No. II of 1904
Bombay Sales Tax Act
Central Sales Tax Act
Civil Procedure Code
Constitution of India 1951
Constitution (Forty-Sixth Amendment) Act 1982
Criminal Procedure Code
Drugs and Magic Remedies (Objectionable Advertisements) Act 1954
Fatal Accidents Act 1855
Gujarat Sales Tax Act 1969
Haryana General Sales Tax (Amendment and Validation) Act 1985
Himachal Pradesh General Sales Tax Act 1968
Hire Purchase Act 1972
Indian Contract Act 1872
Indian Motor Vehicles Act (Act No. VIII of 1914)
Indian Penal Code
Karnataka Sales Tax Act 1957
Karnataka Sales Tax (Amendment) Act No. 27 of 1985
Kerala General Sales Tax Act 1963
Madhya Pradesh General Sales Tax Act 1958
Madras Act No. I of 1907
Motor Vehicles Act 1939
Motor Vehicles (Diplomatic and Consular Officers Vehicles) Registration Rules 1960

Next page please ....
Motor Transport Workers Act 1961
Motor Vehicles (Operation of Commercial Traffic between India and Contiguous Countries) Rules 1963
Motor Vehicles (National Permits) Rules 1975
Motor Vehicles (Driving Licence Fee) Rules 1978
Motor Vehicles (Third Party Insurance) Rules 1946
Orissa Sales Tax Act 1947
Punjab Act No. II of 1907
Specific Reliefs Act 1963
U.P. Act No. II of 1911
U.P. Sales Tax Act 1948

United Kingdom

Consumer Credit Act 1974
Factors Act 1889
Hire Purchase Act 1938
Sale of Goods Act 1893

Other Countries

Burmah Act No. II of 1906
Motor Vehicles International Circulation Rules 1933
South Australian Consumer Transactions Act 1972
### Law Court Cases

#### British Courts

<table>
<thead>
<tr>
<th>Case Details</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beate v Bidgood (1827) 7 B &amp; C 453</td>
<td>VI(i)</td>
</tr>
<tr>
<td>Cl. Hillas &amp; Co. v Arcos Ltd. (1932) 33 Com Gas. 23 147 LT 503</td>
<td>IV(i)</td>
</tr>
<tr>
<td>Cramer v Giles (1883) Cab. &amp; El. 151</td>
<td>IV(i)</td>
</tr>
<tr>
<td>financings Ltd. v Baldeck (1963 CA)</td>
<td>VI(ii)</td>
</tr>
<tr>
<td>Helby v Matthews (1895) A.C. 471</td>
<td>IV(i), III(i)</td>
</tr>
<tr>
<td>Lee v Butler (1893) 2 QB 318 ; 69 LT 370</td>
<td>IV(i), IV(iii)</td>
</tr>
<tr>
<td>South Bedfordshire Electrical Finance Ltd. v Bryant (1938 CA)</td>
<td>VI(i)</td>
</tr>
<tr>
<td>Transport and General Credit Corporation Ltd. v Morgan (1939) 2 All E.R. 17</td>
<td>III(iv)</td>
</tr>
</tbody>
</table>

#### Australian Court

<table>
<thead>
<tr>
<th>Case Details</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nesterczuk v Mortimore 1969 ACJ 204</td>
<td>V(ii)</td>
</tr>
</tbody>
</table>

#### Indian Courts

<table>
<thead>
<tr>
<th>Case Details</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Jagadesan v State of Karnataka and another 1978(2) ILR (Karnataka) 1384</td>
<td>IV(ii)</td>
</tr>
<tr>
<td>Ajantha Transporters v T.V.K. Transporters (1975) 1 SSC 55</td>
<td>IV(ii)</td>
</tr>
<tr>
<td>Ajodhya Prasad v Premier Ins. Co. 1971 ACJ 363 (365) (All)</td>
<td>V(ii)</td>
</tr>
<tr>
<td>Andhra Pradesh v Yedla Parayya AIR 1970 SC 718</td>
<td>IV(iii)(c)</td>
</tr>
<tr>
<td>Apparao v Lakshmi Narayana AIR 1962 SC 586</td>
<td>IV(iii)(a)</td>
</tr>
<tr>
<td>Auto Supply Co. v Raghunath Chetty AIR 1929 Mad. 884</td>
<td>IV(iii)(d)</td>
</tr>
<tr>
<td>B.P. Venkatappa v B.N. Lakhmiah AIR 1973 Mys 350</td>
<td>V(ii)</td>
</tr>
<tr>
<td>Brahm Dutt v Peoples' Co-op. Transp. Society Ltd. AIR Punj 24</td>
<td>IV(ii)</td>
</tr>
</tbody>
</table>
Cecil Cole v Namelal Morarji  
AIR 1925 Bom 18

Chaganlal Automobiles vs Commissioner of 
Income Tax, 156 ITR 58

Chandra Brothers & Another v State of Bihar 
Sept. 3, 1979 (unreported)

Damodar Valley Corporation v K.K. Kar  
AIR 1974 SC 158

D. Rajapathi v University of Madurai  
1980 ACJ 113 (Mad)

Ellerman Lines Ltd. vs. CIT (1971) 82 ITR 913

First Leasing Co. of India v Income Tax Officer  
Madras Appellate Tribunal (1983) 3 ITD 808

Gen. Ass. Society v N.A. Mohammad Hussain  
AIR 1966 Mad 388

Gen. Ass. Society v Jyalakshmi Ammal  
AIR 1975 Mad 198

G.G. Kesavalu Naidu in re 1955 MWN 473  
Madras High Court

Govt. of Andhra Pradesh, Transp. Deptt.  
v. Padma Rani 1975 ACJ 462(467) AP

Great Finance Co. P. Ltd. v. The State of  
Maharashtra, High Court Bombay

Gulab Bai Tapse v. Peter K. Sunder  
1975 ACJ 100(110) Bom

Gundu Govind Dhumale & another v Collector of 
Customs & General Excise & others  
1980(2) Karnataka Law Journal p 308

Hamdard Dawakhana v Union of India and others  
AIR 1960 SC 554

Hazi Zakaria v Naoshir Cama  
1976 ACJ 320(332) ; AIR 1976 AP 171

H.G. Ranson & Triloki Nath AIR 1942 Oudh 318

Indian Mutual General Ins. Society Ltd.  
Delhi High Court 1973 ACJ p 523

Instalment Credit Supply Ltd. v Sales Tax  
Officer, Ahmedabad, Supreme Court 1974

ITO vs. Varadharaja Textiles Pvt. Ltd.  
9 ITD 469

Jai Narain Gupta & another v the State of U.P.  
& another, Allahabad High Court (unreported)

Nwxt page please .........
Jai Narain and another v Amar Nath Kukreja
Allahabad High Court 1979

J. Bahadur Singh Jain v Tahsildar, South
West Madras 1978(2) MLJ 282

Kannappa Chetty v State of Tamil Nadu
1973(2) MLJ 212 ; 86 L.W. p 19

Kesarsingh Sardarsingh Gir & another
Bombay High Court (unreported)

K.L. Johar & Co. v Deputy Commercial Tax
Officer, Co-mbatore AIR 1965 SC 1082

1966 ACJ 284 (Bom)

K. Sundarambal v the Regional Transport
Officer, Salem & another WP No.3184 of
1976

K.T. Kathiri v Regional Transport Officer,
Kozikoda 1965 KLT 1206

LIC v Karthyani AIR 1976 Ori 21

MacDowell's case, Supreme Court, 154 ITR 148

Madhya Pradesh v Azad Finance Co.
AIR 1967 SC 276

Maina v Niranjan Singh 1976 ACJ 1(5)

Mangilal v Parasram 1970 ACJ 86(94)

Mansuba & Co P Ltd Petitioner
The Official Liquidator, Madras High
Court v The Commissioner of Police
and 23 others ILR 1969-2 Mad 569

Minochar Pestonji Patel v A.M. Amin (1968)
Guj LR 171 p 175

Navnit Lal C. Javeri v K K Sen AAC (1965)
ITR 198

Neptune Ins. Co. v. Lakhiram
1962 MPLT (Notes) 103

New India Ass. Co. v Sumitra Devi
1971 ACJ 58(61)

Oriental Fire & Gen. Ins. Co Ltd.
v Vimal Rai AIR 1973 Delhi 115

Oriental Fire & Gen Ins. Co Ltd.
v Smt. Vimal Rai LLR 1972-2 Delhi 949

Next page please
Padmadevi & others v Gurbaksh Singh  
AIR 1973 Rajasthan 317

Padmadevi v Gurbux Singh  
1973 ACJ 460(466) Raj

Pooran Mal v Sadho Ram  
1965 Allahabad Law Journal 214

Pradeep & Co. v Collector of Customs & Others  
AIR 1973 Calcutta 131

Punjabhai Prabhudas v Sakinaben  
1977 ACJ 44(49) Guj

R R N Ramalinga Nadar v N. Narayana Reddiar  
AIR 1971 Ker 197

Sajjan Singh v Sardara Ali 1960 AC 167

Sardar Finance Corp v State of U.P.  
Allahabad High Court

Shanker Vishnu v Maneklal AIR 1940 Bom 362

South India Ins Co. v Lakshmi  
AIR 1971 Mad 347

State of Tamil Nadu v Sundaram Finance Ltd.  
Appeal Suit Nos. 170 to 173 of 1978

S.S. Sahgal & others v State of U.P. & others  
Allahabad High Court 1978

Sundaram Finance Ltd. v Commissioner of Transp.  
Bangalore 1966 Mysore Law Journal 794

Sundaram Finance Ltd. v District Transp. Officer  
Tiruchirappalli and others  
88 Law Weekly 837

Sundaram Finance Ltd. v Shanker Chit Fund  
AIR 1968 Orissa 126 = ILR 1968 Cuttack 164

Sundaram Finance Ltd. v Regional Transport Officer, Ernakulam ILR 1978 Kerala 3002

Sundaram Finance Ltd. v Regional Transport  
Tirunelveli, following earlier decision  
in W P No. 3184 of 1976

Tata Engineering & Locomotive Co. Ltd.  
v Bharat Mining Corp. Ltd. & others  
Bombay High Court, Nov. 20, 1979

Trilok Singh and others v Satya Deo Tripathi  
AIR 1979 SC 850

Tulsi Dass and another v Pannalal and others  
Delhi High Court 1976 ACJ 167

Next page please ......

Vimal Rai v Gurbachan Singh 1967 ACJ 115
COMMITTEES, COMMISSIONS AND STUDY GROUPS

Committees

Ad Hoc Committee, 1959, Chairman L.K. Jha
Committee on Transport Policy and Coordination, Planning Commission, Final Report 1966
Committee of Chief Engineers for second 20-year Road Plan (1940 - 60) - Nagpur Plan.
Committee of Chief Engineers, third 20-year Road Plan (1961 - 80) - Bombay Plan
Committee on Road Safety, 1981, Ministry of Shipping and Road Transport
Estimates Committee, 59th Report, Ministry of Shipping and Transport - National Highways.
Indian Road Congress, Fourth Road Plan 1981-2001
Jaykar Committee, 1929, First Road Plan
Keskar Committee Report 1967, roads and road transport.
Masani Committee report, 1959
Motor Vehicles Taxation Enquiry Committee, 1950
National Transport Policy Committee Report 1980 (B.D. Pandey)
Public Accounts Committee, 88th Report.
Sachar Committee, Ministry of Law, Justice and Company Affairs.
Saraiya Committee, 1968; Growth of road transport financing
Uttar Pradesh Taxation Enquiry Committee

Foreign Committees
Committee on Consumer Credit, United Kingdom, 1968
Lord Crowther (Cmnd.4596, HMSO, London)
Committee on Consumer Protection (UK)
Malony Committee (1962, Cmnd. 1781)

Next page please ....
Commissions

Economic Administration Reforms Commission, 1978
L.K. Jha

Fifth Finance Commission Report, Government of India

T.L. Venkatarama Aiyer, Chairman, Law Commission

Law Commission of India, 61st Report.

Tariff Commission Reports 1952 and 1955-56

Study Groups

Study Group on Road Transport Financing 1968
Ministry of Transport

In-depth study of provisions of Chapter IIIB of the Reserve Bank of India Act 1934

Study Group, Banking Commission, Report 1971
on non-banking financial intermediaries.

Study Group on Viable Units, report 1967.
Ministry of Shipping and Transport.

Wankhede Study Group, 1971

Study Group, Banking Commission, First Report 1971
## THE COMMERCIAL HIRE-PURCHASE ACT, 19--

### CONTENTS

#### CHAPTER I

**PRELIMINARY**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Short title, extent and commencement</td>
</tr>
<tr>
<td>2</td>
<td>Definitions</td>
</tr>
<tr>
<td>3</td>
<td>Non-applicability of the Act</td>
</tr>
</tbody>
</table>

#### CHAPTER II

**FORM AND CONTENTS OF HIRE-PURCHASE AGREEMENTS**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Hire-purchase agreement to be in writing and to be signed</td>
</tr>
<tr>
<td>5</td>
<td>Contents of hire-purchase agreements</td>
</tr>
<tr>
<td>6</td>
<td>Effectiveness of hire-purchase agreement</td>
</tr>
<tr>
<td>7</td>
<td>Stamp duty</td>
</tr>
<tr>
<td>8</td>
<td>Registration of agreement</td>
</tr>
</tbody>
</table>

#### CHAPTER III

**WARRANTIES AND CONDITIONS, LIMITATION ON HIRE-PURCHASE CHARGES AND PASSING OF PROPERTY**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Implied warranties and conditions</td>
</tr>
<tr>
<td>10</td>
<td>Limitation of hire-purchase charges</td>
</tr>
<tr>
<td>11</td>
<td>Passing of property</td>
</tr>
</tbody>
</table>

#### CHAPTER IV

**RIGHTS AND OBLIGATIONS OF THE HIRER**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Right of hirer to purchase at any time with rebate</td>
</tr>
<tr>
<td>13</td>
<td>Right of the hirer to terminate the agreement at any time</td>
</tr>
<tr>
<td>14</td>
<td>Obligation of hirer to comply with agreement</td>
</tr>
<tr>
<td>15</td>
<td>Obligation of hirer in respect of care to be taken of the vehicle</td>
</tr>
<tr>
<td>16</td>
<td>Obligation of hirer in respect of use of vehicle</td>
</tr>
<tr>
<td>17</td>
<td>Whereabouts of vehicle</td>
</tr>
<tr>
<td>18</td>
<td>Payments in respect of two or more agreements</td>
</tr>
</tbody>
</table>
CHAPTER V

RIGHTS AND OBLIGATIONS OF OWNER

21 Rights of owner to terminate agreement
22 Relief against termination
23 Rights of owner on termination of agreement
24 Adverse detention
25 Seizure or taking possession by owner
26 Magistrate to assist in taking possession of vehicle
27 Owner entitled to expenses
28 Disposal of surrendered or seized vehicle
29 Obligation of owner to supply copies and information

CHAPTER VI

MISCELLANEOUS

30 Insolvency of hirer
31 Service of notice
32 Guarantor
33 Conflicting provisions
34 Government to frame rules
THE COMMERCIAL HIRE-PURCHASE ACT, 19--

(Act No. of 19--) 

An Act to define and regulate the rights and duties of parties to commercial hire-purchase agreements and for matters connected therewith or incidental thereto.

CHAPTER I
PRELIMINARY

1. Short title, extent and commencement

(1) This Act may be called the Commercial Hire-purchase Act, 19--.

(2) It shall come into force on such date as the Central Government may, by notification in the official gazette, appoint.

(3) It extends to the whole of India except the State of Jammu and Kashmir.

2. Definitions

In this Act, unless the context otherwise requires,

(a) "commercial hire-purchase" means hire-purchase of vehicles (or other goods) to be purchased or acquired for commercial purposes; it excludes "consumer hire-purchase" under which goods are intended to be purchased or acquired for personal, family or household purposes and not for commercial purposes;

(b) "contract of guarantee" means a contract whereby a person (surety or guarantor) guarantees the performance of all or any of the hirer's obligations under the hire-purchase agreement;

(c) "default" means the failure of the hirer to pay or otherwise perform the obligation when due;
(d) "hire" means the sum payable periodically by the hirer under a hire-purchase agreement comprising a part towards hire and a part towards the purchase price to be computed in the same proportions in which they for respective parts of the total of all instalments excluding insurance for subsequent year or years, if any;

(e) "hirer" means the person who obtains or has obtained possession of a vehicle from an owner under a hire-purchase agreement;

(f) "hire-purchase agreement" means an agreement under which a vehicle is let on hire and under which the hirer has an option to purchase it in accordance with the terms of the agreement and includes an agreement under which -

(i) possession of the vehicle is delivered by the owner thereof to a person (hirer) on condition that such person pays the agreed amount in periodical instalments, and

(ii) the property in the vehicle is to pass to such person on the payment of last of such instalments, and

(iii) such person has a right to terminate the agreement at any time before the property so passes.

(g) "hire-purchase price" means the total sum payable by the hirer under a hire-purchase agreement in order to complete the purchase of the vehicle to which the agreement relates, and includes any sum to be deposited by the hirer by way of initial hire, but does not include any sum payable as a penalty or a compensation or damage for a breach of the agreement;

(h) "option" means the privilege of the hirer for which he has paid money, which gives him the right to buy a vehicle from the owner, if he chooses, at any time within an agreed period, at a fixed price;

(i) "owner" means the person who lets or has let, delivers or has delivered possession of a vehicle, to a hirer under a hire-purchase agreement;
(j) each word and expression used and not defined in this Act but defined in the Indian Contract Act 1872 (9 of 1872) or the Sale of Goods Act 1930 (3 of 1930) shall have the meaning assigned to it in that Act.

3. Non-applicability of the Act

This Act does not apply to -

(1) a hire-purchase transaction in respect of consumer goods not intended nor used for commercial purposes and to a transaction governed by the Hire-purchase Act 1972;

(2) any hire-purchase agreement made before the commencement of this Act.

CHAPTER II

FORM AND CONTENTS OF HIRE-PURCHASE AGREEMENTS

4. Hire-purchase agreement to be in writing and to be signed

Every hire-purchase agreement shall be in writing and signed by all the parties thereto.

5. Contents of hire-purchase agreements

Every hire-purchase agreement shall state -

(a) the hire-purchase price of the vehicle to which the agreement relates;
(b) cash price of the vehicle;
(c) the date on which the agreement shall be deemed to have commenced;
(d) the number of instalments by which the hire-purchase price is to be paid, the amount of each of those instalments, and the date upon which it is payable and the place where it is payable;
(e) the vehicle to which the agreement relates, in a manner sufficient to identify it.

6. Effectiveness of hire-purchase agreement

A hire-purchase agreement in respect of a commercial vehicle is effective according to its terms between the parties and likewise against the purchasers of the vehicle covered by the agreement and against creditors.
7. Stamp duty

A hire-purchase agreement shall be liable to stamp duty under Stamp Act 1899 as an ordinary agreement.

8. Registration of agreement

The owner shall have the option to register the hire-purchase agreement at his cost. If the owner chooses to do so, the hire-purchase agreement shall be registered under Part IIIA of the Registration Act 1908 on payment of charges payable for the registration of an agreement relating to a moveable property.

CHAPTER III

WARRANTIES AND CONDITIONS, LIMITATION ON HIRE-PURCHASE CHARGES AND PASSING OF PROPERTY

9. Implied warranties and conditions

In every hire-purchase agreement there shall be an implied warranty -

(1) (a) that the hirer shall have and enjoy quiet possession of the vehicle;
(b) that the vehicle shall be free from any charge or encumbrance in favour of any third party and that the owner has a right to sell the vehicle at the time when the property is to pass.

(2) In every hire-purchase agreement there shall be an implied condition that the vehicle is of merchantable quality, but no such condition shall be implied.
(i) as regards defects of which the owner could not reasonably have been aware at the time when the agreement was made, or
(ii) as regards defects specified in the agreement, or
(iii) where the hirer has examined the vehicle, which examination ought to have revealed the defects, or
(iv) if the agreement contains a statement that the vehicle is secondhand.

(3) Where the hirer has made known to the owner the particular purpose for which the vehicle is required, there shall be an implied condition that the vehicle shall be reasonably fit for such purpose.

10. Limitation of hire-purchase charges

(1) In this section -

(a) "net cash price" means the cash price as required to be specified in the hire-purchase agreement less any initial hire;

(b) "initial hire" means any sum deposited by the hirer as initial payment;

(c) "net hire-purchase price" means the total amount of the hire-purchase price less any amount included towards insurance;

(d) "statutory charges" means the limit upto which charges can be added to the net cash price to arrive at the net hire-purchase price;

(e) "hire-purchase instalment" means the hire-purchase price (inclusive of insurance amount, if any) divided by the agreed number of periodical payments, the first of which may be suitably rounded off.

(2) The net hire-purchase charges applicable in respect of (i) new vehicles, and (ii) old or secondhand vehicles, shall not exceed, in effect, the statutory charges related to the bank's lending rate of interest on the date
of the agreement, as may be notified by the Central Government in the official gazette in consultation with the Reserve Bank of India.

(3) Where the net hire-purchase charges exceed the statutory charges, the hirer may, by notice in writing to the owner, either elect to treat the agreement as void or to have his liability reduced by the amount by which the net hire-purchase charges exceed the statutory charges.

(4) Where the hirer elects to treat the agreement as void, the agreement shall be void and the amount paid by the hirer shall be recoverable by the hirer as a debt due to him by the owner.

(5) Where the hirer elects to have his liability reduced, his liability shall be reduced by that amount and that amount may be set-off by the hirer against the amount that would otherwise be due under the agreement.

(6) Where a hire-purchase agreement provides for pro tanto variation linked with variation in bank's lending rate of interest as fixed by the Reserve Bank of India, the variable statutory charges shall be subject to the provisions of this section and such variation shall apply whether the bank's lending rate of interest is increased or decreased.

11. Passing of property

Subject to the provisions of this Act, the property in the vehicle to which the hire-purchase relates, shall pass to the hirer only on the completion of the purchase in the manner provided in the agreement.

CHAPTER IV

RIGHTS AND OBLIGATIONS OF THE HIRER

12. Right of hirer to purchase at any time with rebate

The hirer may, at any time after giving the owner not less than fourteen days notice in writing, complete the purchase of the vehicle by paying hire-purchase price as reduced by rebate. The rebate shall be equal to two-thirds.
of an amount which bears to the hire-purchase charges the same proportion as the balance of the hire-purchase price not yet due bears to the hire-purchase price.

13. Right of the hirer to terminate the agreement at any time.

(1) The hirer may, at any time before the final payment under the hire-purchase agreement falls due, and after giving not less than fourteen days notice in writing of his intention to do so and re-delivery of the vehicle to the owner along with Registration Certificate and insurance policy, terminate the agreement.

(2) Where the hirer complies with sub-section (1), the owner shall cast the account of the hirer—

by crediting
(a) cost of the body paid by the hirer, duly vouched;
(b) purchase price portion of hire-purchase instalments due upto the date of redelivery of the vehicle;
(c) insurance portion out of hire-purchase instalments due upto the date of redelivery of the vehicle;
(d) total of amounts paid by the hirer towards hire-purchase instalments upto the date of redelivery of the vehicle including the initial hire;

and by debiting
(i) total amount of hire-purchase instalments due upto the date of redelivery of the vehicle;
(ii) insurance premium paid by the owner, if any;
(iii) depreciation of the vehicle (cash price mentioned in the agreement plus cost of body in the case of a new vehicle) at the rate of twenty-five per cent per annum by written down value method for the number of years, with a minimum of one year, from the date of registration of the vehicle in the case of a new vehicle and from the date of the agreement in the case of an old or secondhand vehicle. For calculation of depreciation, six months and above shall be taken as one year and less than six months shall be ignored;
(iv) other dues, if any, admissible under the agreement and unpaid taxes in respect of the vehicle.

(3) The total amount payable by the hirer by way of hire-purchase instalments shall be split up into the components of 'purchase price portion' and 'insurance portion' in the same proportion in which they form respective parts of the total amount of hire-purchase instalments payable by the hirer.

(4) (a) The owner shall pay the hirer the balance, if any, to the credit of the hirer's account within fifteen days from the date of redelivery of the vehicle by the hirer.

(b) In case the account of the hirer shows a debit balance, the hirer shall pay the same to the owner within fifteen days from receiving his account from the owner.

(c) The owner or the hirer, as the case may be, liable to pay any balance to the other, shall be further liable to pay interest at a rate not exceeding two and a half per cent per mensem from the date it is due for payment to the date of its payment.

(5) Instead of closing the hirer's account as laid down in sub-clauses (1) to (4), the owner may, in his discretion, decide to sell the vehicle at the best obtainable price within thirty days from the date of redelivery of the vehicle, and inform the hirer in writing within ten days from the date of redelivery of the vehicle about his decision. On sale of the vehicle accordingly, the account of the hirer shall be cast by crediting

(a) the sale proceeds of the vehicle;

(b) total amount paid by the hirer towards hire-purchase instalments (excluding initial hire);

and by debiting

(i) net hire-purchase price;

(ii) proportionate net hire-purchase charges in the proportion of the number of hire instalments due upto the date of
redelivery of the vehicle and the total number of hire instalments as per the agreement;

(iii) taxes due in respect of the vehicle but not paid by the hirer;
(iv) other dues, if any, admissible under the agreement.

(6) (a) The owner shall pay the hirer the balance, if any, to the credit of the hirer's account so cast, within ten days from the date of sale of the vehicle;
(b) In case the account of the hirer so cast shows a debit balance, the hirer shall pay the same to the owner within ten days from receiving his account from the owner.
(c) The owner or the hirer, as the case may be, liable to pay any balance to the other, shall be further liable to pay interest at the rate of two and a half per cent per mensem from the date it is due for payment to the date of its payment.

(7) The onus of proving that the price obtained by the owner for the vehicle was the best price that could be reasonably obtained by him shall lie upon the owner.

14. Obligation of hirer to comply with agreement

Subject to the provisions of this Act, a hirer shall be bound -
(a) to pay hire in accordance with the agreement, and
(b) otherwise to comply with the terms of the agreement.

15. Obligation of hirer in respect of care to be taken of the vehicle

(1) A hirer
(a) shall be bound to take as much care of the vehicle as a man of ordinary prudence would, under similar circumstances, take of his own vehicle;
(b) shall not be responsible for the loss, destruction or deterioration of the vehicle, if he has taken the amount of care thereof described in sub-clause (a).
(2) The hirer shall be liable to make compensation to the owner for any damage caused by failure to take care of the vehicle in accordance with the provisions of sub-section (1).

[ This section is analogous to sections 151 and 152 of the Indian Contract Act 1872. This section has relevancy in case of voluntary redelivery or surrender of the vehicle by the hirer or seizure by the owner on the occurrence of which the vehicle must be in a good condition, fair wear and tear excepted. Insurance will make good the loss, if any, for which the hirer is absolved under sub-section 1(b). ]

16. Obligation of hirer in respect of use of vehicle

If a hirer makes any use of the vehicle which is not according to the conditions of the agreement, the hirer shall be liable to make compensation to the owner for any damage arising to the vehicle from or during such use.

[ This section is analogous to Sec. 154 of the Indian Contract Act 1872. Sec. 74 of that Act deals with the measure of damages. The principle is well settled that the measure of damages is the difference between the contract price and the market price on the date of the breach. ]

17. Whereabouts of vehicle

(1) Where a hirer is under a duty to keep in his possession or control the vehicle to which the agreement relates, the hirer shall, on receipt of a request in writing from the owner, inform the owner where the vehicle is at the time when the information is given.

(2) Where the hirer fails to give the said information within fourteen days of the receipt of notice, he shall be punishable with fine which may extend to ... ... ... (to be specified).
18. Payments in respect of two or more agreements

The payment made by a hirer who is liable to make payments in respect of two or more hire-purchase agreements to the same owner, shall stand appropriated towards the satisfaction of the sums due under the respective agreements in the order in which they were entered into.

19. Assignment

(1) The hirer may assign his right, title and interest under the hire-purchase agreement with the consent of the owner. No payment or consideration shall be required by the owner for his consent to an assignment.

(2) As a condition of granting such consent, the owner may stipulate that all defaults under the hire-purchase agreement shall be made good and may require the hirer and the assignee to execute and deliver to the owner an assignment agreement, in a form approved by the owner, whereby, without affecting the continuing personal liability of the hirer in such respects, the assignee agrees with the owner to be personally liable to pay the instalments of hire remaining unpaid and to perform and observe all other stipulations and conditions of the hire-purchase agreement during the residue of the term thereof and whereby the assignee indemnifies the hirer in respect of such liabilities.

(3) The right, title and interest of a hirer shall be capable of passing by operation of law to the legal representatives of the hirer but nothing in this sub-section shall relieve the legal representative with the provisions of the hire-purchase agreement.

Explanation - In this sub-section, the expression "legal representative" has the same meaning as in cl.(11) of Section 2 of the Code of Civil Procedure 1908 (5 of 1908).
20. Other obligations of the hirer

The hirer shall -

(i) keep the vehicle in thorough working condition and shall make no material alteration therein without the previous written consent of the owner;

(ii) indemnify the owner against loss by reason of damage to or destruction or dispossession of the vehicle from any cause whatsoever, or by reason of any claims by third parties in respect thereof;

(iii) shall keep the vehicle insured at his cost under a comprehensive policy with an endorsement assigning the policy in favour of the owner; the owner shall receive all claims payable by the insurance company for any loss or damage to the vehicle which shall be credited to the hirer's account with the owner;

(iv) keep the owner notified of his address and of any change in the same as soon as made;

(v) allow free access to the representatives of the owner at reasonable time to inspect the vehicle or to take possession of the same as provided in this Act;

(vi) not sell, transfer, mortgage, pledge, hypothecate, let or otherwise deal with or part with the possession of the vehicle or create any interest of any third party in the same or create any lien upon the vehicle;

(vii) not enter into any partnership or profit-sharing arrangement with any party, and, in any case, such an arrangement shall not be valid against the owner;

(viii) not use the vehicle for any illegal purpose or adapt or fit the vehicle for the purpose of concealing smuggled or prohibited goods;

(ix) not remove the vehicle out of the agreed area of operation declared in the proposal form without the express written permission of the owner previously obtained;

(x) pay all fees and taxes by whatever names in respect of the vehicle and to indemnify the owner against all such payments;
(xi) pay compensation not exceeding two and one-half per cent per mensem on overdue hire payments and all other payments in arrear but not on such compensation itself;
(xii) not remove or change identification marks and numbers on the vehicle nor allow the same to be removed or changed.

CHAPTER V
RIGHTS AND OBLIGATIONS OF OWNER

21. Rights of owner to terminate agreement

(1) (a) Where the hirer makes more than one default in the payment of hire as provided in the agreement, or
   (b) where a hirer (i) does any act which is inconsistent with any of the terms of the agreement, or
   (ii) breaks express condition which provides that, on the breach thereof, the owner may terminate the agreement, then, after giving the hirer notice in writing of not less than two weeks, the owner shall be entitled to terminate the agreement on expiry of the period of notice.

(2) If, however, the hirer pays the amount in default or cures the breach or remedies the defects pointed out in the notice to the satisfaction of the owner, the owner shall not be entitled to terminate the agreement.

(3) The owner shall not have the right to take action under this section for default of the hirer in the payment of any amount due and payable by the hirer under the agreement which is not hire.

22. Relief against termination

Where the owner, after he has terminated the agreement, institutes a suit or makes an application against the hirer for recovery of the vehicle, and at the hearing of the suit or application, the hirer pays to the owner the hire in arrears, together with interest thereon and the costs of the suit or application incurred by the owner and complies with such other conditions, if any, as the court may think...
fit to impose, the court may pass an order relieving the hirer against the termination and thereupon the hirer shall continue in possession of the vehicle as if the agreement had not been terminated.

23. Rights of owner on termination of agreement

(1) Where a hire-purchase agreement is terminated by the owner under this Act, the hirer shall, on or before the date of termination of the agreement as per notice served by the owner, surrender the vehicle to the owner, failing which, the owner shall be entitled to seize the vehicle.

(2) In the event of the hiring being terminated by the owner and the hirer is called upon to restore possession of the vehicle to the owner and the hirer fails to give possession to the owner, the hirer will be deemed to have adverse possession of the vehicle and the owner is entitled to damages from the date on which termination is effective to the date on which the vehicle is delivered to or seized by the owner.

24. Adverse detention

(1) Where a suit or application by the owner to enforce his right to recover possession of the vehicle from the hirer, the owner proves that, before the commencement of the suit or application and after the right to recover possession of the vehicle accrued, the owner made a request in writing to the hirer to surrender the vehicle, the hirer's possession of the vehicle shall be deemed to be adverse to the owner.

(2) Nothing in this section shall affect a claim for damages for conversion.

25. Seizure or taking possession by owner

In exercise of his right to seize or take possession of the vehicle, the owner has the right to enter the premises of the hirer or to take possession of the vehicle at any place where the vehicle may be traced out. In taking possession,
the owner may proceed without judicial process or he may apply to the court for giving possession to him.

26. **Magistrate to assist in taking possession of vehicle**

At the request of the owner in writing, the Metropolitan Magistrate or the Chief Judicial Magistrate, within whose jurisdiction the vehicle is found, shall assist the owner in taking possession of the vehicle. For this purpose the Metropolitan Magistrate or the Chief Judicial Magistrate, as the case may be, may take or cause to be taken, such steps and use or cause to be used, such force as may be necessary.

27. **Owner entitled to expenses**

The owner is entitled to recover from the hirer the following expenses on seizure of the vehicle -

(a) the reasonable expenses incurred by the owner for seizing the vehicle;

(b) any amount reasonably expended by the owner on bringing the vehicle from the place of seizure, garaging, and repairs and maintenance of the vehicle;

(c) reasonable expenses of selling or otherwise disposing of the vehicle;

(d) the amount spent by the owner for payment of arrears of taxes and other dues which are payable in relation to the vehicle under any law and which the hirer was liable to pay.

28. **Disposal of surrendered or seized vehicle**

On surrender of the vehicle by the hirer or seizure of the same by the owner under this Act, section 13 shall be operative.

29. **Obligation of owner to supply copies and information**

(1) It shall be the duty of the owner to supply free of cost, a true copy of the hire-purchase agreement, signed by the owner -

(a) to the hirer immediately after execution of the agreement; and
(b) to the guarantor or surety on demand in writing.

(2) It shall be the duty of the owner to supply to the hirer, within fourteen days after the owner receives a request in writing from the hirer or his guarantor in this behalf and the hirer or his guarantor tenders to the owner a sum not exceeding rupees five for expenses, a statement signed by the owner or his agent showing -

(a) the amount paid by or on behalf of the hirer;
(b) the amount due but unpaid;
(c) the amount of each future instalment to become payable and its date.

CHAPTER VI
MISCELLANEOUS

30. Insolvency of hirer

Where the hirer is adjudged insolvent under any law, the Official Receiver, or where the hirer is a company, then in the event of the company being wound up, the Liquidator, shall have, in respect of the vehicle which is in the possession of the hirer under the agreement, the same rights and obligations as the hirer had in relation thereto.

31. Service of notice

Any notice required or authorised to be served or given to the owner or the hirer under this Act may be so served or given -

(a) by delivering it to him personally; or
(b) by sending it by post to him at his last known place of residence or business.

32. Guarantor

Where a hire-purchase agreement provides for a guarantor or surety, one or more, as a party to the agreement, the guarantor or surety shall guarantee due perfor-
mance and observance of all terms and conditions of the agreement by the hirer as also to pay the owner on demand any money due or payable by the hirer and not paid by the hirer. The guarantee of the guarantor or surety shall be a continuing guarantee and his liability shall be co-extensive with that of the hirer.

33. Conflicting provisions

Where there is a conflict between a provision of this Act and any other law for the time being in force, the provision of this Act shall prevail unless this Act provides otherwise.

[ This may take care of confiscatory laws.]

34. Government to frame rules

(1) For the purposes of carrying out the provisions of this Act, the Central Government may frame such rules as it may consider necessary from time to time.

(2) The rules may prescribe forms, registers and other records, procedure and formalities of documentation, method of accounting, etc.

[ The Hire-purchase Rules would bring uniformity of procedures and practices in conformity with the Act. ]