

MOTOR CARS (DISTRIBUTION AND SALE) CONTROL ORDER, 1959

CONTENTS

1. Short title, extent and commencement
2. Definitions
3. Controller to fix quotas
4. Distribution of motor cars by manufacturers
5. Application for purchase of motor cars
6. Maintenance of Register
7. Sale of motor cars by dealer
- 7A. 7A
8. 8
9. Maintenance and production of books, accounts, etc

SCHEDULE 1 :- SCHEDULE

SCHEDULE 2 :- Application for purchase of a motor car

MOTOR CARS (DISTRIBUTION AND SALE) CONTROL ORDER, 1959

5-Whereas it appears to the Central Government that it is necessary so to do for securing the equitable distribution and availability at fair prices of motor cars. Now, therefore, in exercise of the powers conferred by S.18G of the Industries (Development and Regulation) Act, 1951, the Central Government hereby makes the following Order, namely :

1. Short title, extent and commencement :-

- (1) This Order may be called the Motor Cars (Distribution and Sale) Control Order, 1959.
- (2) It extends to the whole of India.
- (3) It shall come into force on the 1st day of May, 1959.

2. Definitions :-

In this Order, unless the context otherwise requires,-

(a) "Controller" means a person appointed by the Central Government to be the Controller of Motor Cars for the purposes of this Order;

1[(b) "dealer" means a dealer or a sub-dealer in the motor car, and includes an agent appointed by the manufacturer for the sale of motor cars:

(c) "manufacturer" means the manufacturer specified in Sch. I;

(d) "motor car" means the motor car of the description specified in Sch. I, manufactured or assembled in India, or manufactured in India from components imported into India or manufactured in India or partly imported and partly manufactured in India, and includes every motor car of such

description, whether called a section wagon, utility type passenger car or by any other name;]

2[(dd) "Government of a State" in relation to a Union Territory, means the Administrator thereof;]

(e) "register" means the register maintained by dealer under this Order;

(f) "Schedule" means a Schedule to this Order;

3 [(g) "residence" means the place where-

(a) in the case of an individual, he ordinarily resides, and

(b) in the case of a company, the registered office of the company is situate].

1. Subs. by S.O. 746 (E), dated the 31st December, 1974.

2. Ins. by S.O. 3103, dated the 28th September, 1965, published in the Gazette of India, Pt. II, Sec. 3 (ii), dated the 9th October, 1965.

3. Ins. by S.O. 517 (E), dated the 31st August, 1974.

3. Controller to fix quotas :-

The Controller may, from time to time, by order,-

(a) fix quotas of motor cars for meeting the requirements of the Government, or of any public authority, or of any class of persons having regard to the nature of their work or duties, or of specified regions in India, and different quotas may be fixed for different purposes or **1** [* * *];

(b) direct [the manufacturer] to distribute the motor cars manufactured by him for sale in such regions through such dealers, in such number and manner at such times as may be specified in the Order.

1. Omitted by S.O. 746 (E), dated the 31st December, 1974.

4. Distribution of motor cars by manufacturers :-

No manufacturer shall after the commencement of this Order, sell or otherwise dispose of, or offer to sell or otherwise dispose of @1 [any motor car] manufactured by him, whether manufactured before or after such commencement or whether in assembled or unassembled condition, except in accordance with the order made by the Controller under Cl. 3. **1** [* * * *]

1. Omitted by S.O. 746 (E), dated the 31st December, 1979.

5. Application for purchase of motor cars :-

(1) Every person desirous of purchasing a motor car shall apply to a dealer in the form set out in Sch. II.

1[(2) Subject to the provisions of sub-clause (2-B), every applicant shall also furnish along with the application a Post Office Savings Bank Pass Book from a post office evidencing the fact that he had opened a Security Deposit Account in the post office for a sum not less than **2**[Rs. 4,000] and pledged to the dealer.

(2-A) When the motor car is ready for delivery, the dealer shall send intimation of that fact in writing to the pledger-applicant along with the Post Office Savings Bank Pass Book and an authority authorizing the pledger-applicant to withdraw the money from the post office.

(2-B) Where, at the commencement of the Motor Cars (Distribution and Sale) Control (Second Amendment) Order, 1965, the name of any person appears in the books of the dealer as an applicant for the purchase of a motor car, such person shall, within ³[ninety days] of such commencement, furnish such Post Office Savings Bank Pass Book as is referred to in sub-clause (2) in lieu of the Bank guarantee already furnished to the dealer, and thereupon the dealer shall release the Bank guarantee forthwith : Provided that the Controller may, having regard to the circumstances of any case and the purposes to be served by this Order, extend, by order in writing, the said period of ⁴ [ninety days] to such further period as he deems fit.]

1. Subs. by S.O. 2138, dated the 29th June, 1965, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3 (ii), dated the 29th June, 1965.

2. Subs. by S.O. 5182, dated the 19th, November, 1971.

3. Subs. by S.O. 2698, dated the 26th August, 1965, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3 (ii), dated the 26th August, 1965.

4. Subs. by S.O. 2698, dated the 26th August, 1965, published in the Gazette of India, Extraordinary, Pt. II, Sec. 3 (ii), dated the 26th August, 1965.

6. Maintenance of Register :-

(1) Every dealer shall maintain a register in which he shall register-

(a) the names and other particulars of .persons who have applied to him in the manner specified in Cl. 5 for the purchase of a motor car;

(b) the names of persons appearing in the books of the dealer at the commencement of this Order.

(2) The names shall be registered in the case of persons referred to in sub-clause (1) (a), in accordance with the date of the receipt of the application, and in the case of persons referred to in sub-clause (1) (b), in accordance with the date on which the name was entered in the books of the dealer.

¹[(2-A) Where more than one application is received on the same date, the time of receipt of each of the applications shall be entered thereon and the names shall be duly registered according to the point of time of receipt of each of the applications: Provided that where more than one application is received at the same point of time, those applications may be arranged in alphabetical order of the names and duly registered in that order].

² [(3) The register shall be open for inspection during working hours-

(a) by any member of the public;

(b) in any Union Territory, by such officers as may be authorized in this behalf by the Central Government or the Administrator by general or special order; and

(c) in any other area, by such officers of the Central Government or a State Government as may be authorized in this behalf by the Central Government or the State Government, as the case may be, by general or special order].

1. Ins. by S.O. 1550, dated the 17th May, 1966, published in the Gazette of India, Pt. II, Sec. 3 (ii), dated the 29th May, 1966.

2. Subs. by S.O. 3103, dated the 28th September, 1966, published in the Gazette of India, Pt. II, Sec. 3 (ii), dated the 9th October, 1965.

7. Sale of motor cars by dealer :-

Except where the sale of a motor car is to the Government or to a public authority or to a member of a class of persons to whom a special quota has been fixed, no dealer shall, after the commencement of this Order, sell a motor car to any person whose name is not on the register maintained by him under Cl. 6 or otherwise than in the order in which the names are registered in that register.

7A. 7A :-

1 [* * * *].

1. Omitted by S.O. 595 (E), dated the 6th October, 1965.

8. 8 :-

1 [* * * *]

1. Omitted by S.O. 595 (E), dated the 6th October, 1965.

9. Maintenance and production of books, accounts, etc :-

(1) **1**[The manufacturer] and every dealer shall keep such books, accounts and records relating to the manufacture and distribution or, as the case may be, the sale of motor cars as the Controller may prescribe.]

(2) Every such book, account or record shall, when so required, be produced for inspection before the Controller or authority specified by the Central Government in this behalf.

(3) **1** [The manufacturer] and every dealer shall furnish to the Controller such returns, in such manner and at such times as the Controller may specify.]

1. Subs. by S.O. 746 (E), dated the 31st December, 1974.

SCHEDULE 1

SCHEDULE

] See Cls. 2 (c) and (d)]

Name of the manufacturer Description of motor cars

Messrs Premier Automobiles Limited, Premier President Construction House, Ballard Estate, Bombay.

SCHEDULE 2

Application for purchase of a motor car

To \ \ (Name and address of the dealer) Dear Sir, \I/We want to purchase a.....(description of motor car). Please book my/our order and

I/We know the registration number of the order and price of the motor car. I/We forward herewith a Post Office Savings Bank Pass Book to show that I/We have opened a Security Deposit Account in.....Post Officer for Rs. 2,000 pledged in your favour which will not be withdrawn, by me/us except on a written authority from you at the time when the vehicle is ready for delivery. The requisite particulars are given below : (a) Full name and address of the applicant; (b) Vocation of the applicant; (c) Whether the applicant pays income-tax; (d) Whether the applicant owns or has owned any motor car and, if so, the date of purchase and sale, if any, of the last motor car; (e) Whether the applicant has registered for a motor car with any other dealer (If the answer is "yes" the particulars of the order should be stated); (f) Number and date of the Post Office Security Deposit Account; (g) Specifications of the motor car to be purchased; (h) Any other information/instruction for the dealer. [* * *]. \ \ \ \ \ \ \ \ Yours faithfully, \ \ \ \ \ \ \ \ Signature of applicant/s. \ \ \ \ date.....