

**GOVERNMENT OF INDIA
LAW AND JUSTICE
LOK SABHA**

UNSTARRED QUESTION NO:2700
ANSWERED ON:19.12.2003
HIRE PURCHASE ACT
SRIPRAKASH JAISWAL

Will the Minister of LAW AND JUSTICE be pleased to state:

- (a) whether the Hire Purchase Act which was passed by the Parliament in the year 1971 and assented to by the President of India has not been notified so far despite lapse of several decades;
- (b) if so, the reasons therefor;
- (c) the details of other Central Acts which are awaiting Notification by the Government; and
- (d) the steps taken by the Government to notify such Acts without further delay particularly the Hire Purchase Act?

Answer

MINISTER OF STATE FOR LAW & JUSTICE (SHRI P.C.THOMAS)

(a) Yes, Sir.

(b) A notification was issued on 30th April, 1973 to bring the Hire-purchase Act, 1972 into force on 1st June, 1973. Later, another notification was issued on 31st May, 1973 superseding the notification of 30th April, 1973 and proposing to bring the Act into force on 1st September, 1973. Since several representations were received from the public against the bringing of the Act into force, it was then decided not to enforce the Act and accordingly a notification rescinding the notification dated 31st May, 1973 was issued on 30th August, 1973. In its report on Personal Property Security Law (1977), the Banking Law Committee appointed by the Reserve Bank of India has proposed certain far reaching amendments to the Act. Accordingly, a Bill titled the Hire-purchase (Amendment) Bill, 1989 to amend the said Act of 1972 was introduced in the Rajya Sabha on the 5th May, 1989. The said Bill was referred to Parliamentary Standing Committee on Home Affairs and the said Committee recommended in depth examination of the whole issue of the Hire-Purchase. Consequently, the said Bill was withdrawn and the subject matter was referred to the Law Commission of India for in depth examination. The Law Commission of India in its 16Sth Report has recommended extensive amendments in the said Act and the said Report is under examination.

(c) & (d) Acts of Parliament are brought into operation by different administrative Ministries/Departments of Government of India concerned with the subject matter of the individual Acts. However, Legislative Department has identified about 40 Acts of Parliament which have not been brought into operation either partly or fully. The concerned administrative Ministries have to take a policy decision dependent upon their administrative preparedness to bring the individual Acts into force. In view of reply to part (b), the question of bringing the Hire-purchase Act, 1972 into force now does not arise.