

NATIONAL SCHEDULED CASTES FINANCE AND DEVELOPMENT CORPORATION,
NEW DELHI

CONVEYANCE ADVANCE RULES, 1989

(LAST AMENDED AS ON 6TH DECEMBER, 2021)

CONVEYANCE ADVANCE - ADVANCE FOR PURCHASE OF SCOOTER/MOTOR CYCLE/MOPED/CAR.

1. The conveyance advance is admissible to the employee of the corporation in whose case:
 - a) It is certified that in the opinion of the authority competent to sanction the advance it will be useful in the interest of service of the Corporation if the employee possesses the conveyance in question for performance of his official duties and;
 - b) That the said competent authority is satisfied that the employee has the capacity to repay the advance.
2. Employee who hold regular post in the corporation and have completed at least 2 years, continuous service in the Corporation shall be entitled to apply for the conveyance advance.
3. An employee who applies for the advance will be required to furnish adequate surety from a regular employee of the Corporation in the prescribed form.
4. Would be required to execute an agreement in the prescribed form. The employee drawing the advance is expected to purchase the vehicles within one month of the date on which he draws the advance. In exceptional cases, the sanctioning authority may extend the period by another one month. Failing to complete the transaction within the prescribed period, full amount of the advance drawn with interest thereon for one or two months as the case may be must be refunded to the corporation. If the employee retains the advance without purchasing a conveyance beyond the period of one month or the extended period, penal interest at the rate of 11% in case of car, and 10% in case of scooter etc. will be engaged for the period in excess of one month or extended period.
5. Immediately after completing the purchase of the vehicle the employee is required to execute Mortgage Bond in the prescribed form, hypothecating the vehicle to the Corporation as security for the advance. The Mortgage Bond would be returned to the employee after repayment of advance and interest.
6. Except in the case of cycle, the vehicle should be insured comprehensively against loss by fire, theft or accident. The amount for which the conveyance is insured during the loan period should not be less than the outstanding balance of the advance with interest accrued thereon.

7. Until the amount of advance together with interest accrued thereon has been fully repaid, the employee cannot sell the vehicle, purchased with the aid of the advance without previous sanction of the sanctioning authority.
8. The sale proceed of the vehicle should be utilized is repayment of outstanding principal along with the interest.
9. In case the employee wants to dispose of his old vehicle and purchase any other vehicle with the sale proceeds, sanctioning authority may permit employee to do so subject to the following conditions being fulfilled:-
 - a) The second or subsequent advance for the purchase of the vehicle will be admissible only after a minimum period of 4 years reckoned form the date of drawn the last advance.
 - b) The entire sale proceeds of the old vehicle shall be utilizes towards purchase of the new vehicle.
 - c) The total amount of advance should not be more than the cost of the new balance.
 - d) The new vehicle should be ensured or mortgaged to the corporation.

AMOUNT OF ADVANCE AND ELIGIBILITY

The amount of advance and the amount that may be advanced for the purchase of vehicle, eligibility thereof and the sanctioning authority would be as follows:

TYPE OF VEHICLE	AMOUNT OF ADVANCE	ELIGIBILITY	SANCTIONING AUTHORITY	RATE OF INTEREST
Car	<p>(i) For Motor Car/Vehicle (other than EVs)</p> <p>90% of the cost of car or Rs.10.00 lakh whichever is less.</p> <p style="text-align: center;">&</p> <p>(ii) For Electric Vehicles (EVs)/ Car</p> <p>90% of the cost of car or Rs.12.00 lakh whichever is less</p>	All permanent employees with the basic pay of Rs.40,000/- & above.	CMD	<p>Rate of interest to be fixed by NSFDC from time to time keeping in view of SBI Rate.</p> <p>Further, for EVs, the rate of interest to be 1% less than that of Petrol/ Diesel Vehicles.</p>

Motor Cycle/ Scooter/ Moped	90% of the cost of Motor Cycle/ Scooter/ Moped or Rs.2.00 lakh, whichever is less.	All permanent Employees with basic pay of Rs.21,000/- & above.	CGM	Rate of interest to be fixed by NSFDC from time to time keeping in view of SBI Rate.
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Amended vide Office Order No.NSFDC/Pers./Pol./Con.Adv./96 dated 24th December, 2021.

RECOVERY OF ADVANCE

The recovery of advance for the purchase of conveyance be made in the equal installments in the following manner:

Scooter/Motor Cycle/ Moped	Not more than 70 installments.
Car	Not more than 200 installments.

RECOVERY OF INTEREST

Interest on the amount of loans will be recovered in one or more installments after the recovery of the principal in full but each installment being not greater than the installments from the recovery of the principal.

NOTE: In the case of officers who are due to retire before the expiry of the period prescribed for the recovery of advance, the number of installments should be so regulated that the recovery of advance and interest thereon is completed at the time of issue of the last pay of the officer before retirement.

RATE OF INTEREST

The rate of interest on the amount of advance will be as decided by the board of directors from time to time. For the time being, simple interest on advance shall be charged on reducing balance of loan from month to month at the rates given below:

Motor Cycle/ Scooter/ Moped	@ 9.00% P.A. Approved on Note by the CMD on 04 th November, 2020 (keeping in view of SBI Rate).
Car	@ 7.50% P.A. Approved on Note by the CMD on 04 th November, 2020 (keeping in view of SBI Rate).