

LOANS AND ADVANCES

CONVEYANCE ADVANCE:

4.1.1 The Corporation may grant, subject to availability of funds in the budget, interest bearing loan/advance to its employees for purchase of conveyance provided the competent authority is satisfied that the possession of a vehicle by an employee will be in the interest of the Corporation.

4.1.2 Advance can be granted for purchase of a Motor Car of any make including air-conditioned cars, Maruti Van, Gypsy and Jeep / Motor Cycle/Scooter/Scooterette or Bicycle.

Note: Tatamobile, station wagon provided they are registered as family vehicles.

4.1.3 The application for conveyance advance may be sent to Admn. Dept. in the prescribed proforma

4.2.0 Eligibility

Advance is payable to employees of the Corporation. However, the Conveyance Advance facility will be extended (for car/2 wheeler) to an employee even during the probation period. The relaxation shall also apply in case of employees who are promoted/appointed as officers from staff category.

4.3.0 Officers

4.3.1 Conveyance advance for purchase of vehicles is admissible to officers as under:

For Cars:

Grade	Maximum entitlement
A	Rs.2.65 lakhs
B & C	Rs. 4.50 lakhs
D, E, & F	Rs. 5.0 lakhs
G & H	Rs. 6.50 lakhs
I	Rs. 7.50 lakh

Note: While buying a new car, officers would be allowed actual expenses incurred on comprehensive insurance for the first year and one time actual expenses on registration and road tax charges for the vehicle within the Conveyance Advance.

Employees may be permitted for payment of advance limited upto 10% of the entitlement / cost of the vehicle, whichever is less to the dealer at the time of booking and the same may be reimbursed / adjusted against the conveyance advance disbursed at a later date.

4.3.2 Priorities for Officers

i) Officers applying for car advance for the first time or had availed of the advance seven years ago and are entitled to draw car maintenance expenses shall be given first

priority. Similarly, those who apply for motor cycle/scooter advance for the first time or had availed of Motor cycle/Scooter advance seven years ago shall also be accorded first priority.

- ii) Second priority shall be given to those who are applying for conveyance advance for the second time.

4.4.0 Subsequent Conveyance Advance:

4.4.1 Officers are entitled to subsequent conveyance advance after a period of five years from the date of withdrawal of previous advance. Subsequent advance can be granted after a lapse of three years from the date of drawal of previous advance in the following events:

- In case of change in entitlement on account of promotion, or
- In case of enhancement in entitlement on account of revision.
- Alternatively, the officer may be given the option to draw the balance of his / her revised entitlement on account of the revision for purchase of a new car irrespective of the date of drawal of previous advance on one time basis.

The period of five years for drawal of second/subsequent advance would continue to be operative in all other cases.

4.4.2 Officers on transfer may be permitted to avail second conveyance advance at the new place of posting, without any reference to the date of previous conveyance advance provided the concerned officer had sold the car at the old place of posting and does not claim transportation charges for transporting the vehicle.

4.4.3 Officers in Grade A promoted from non-officers grade and who have drawn conveyance advance for purchase of a two-wheeler as a non-officer shall be permitted to draw conveyance advance for purchase of a car as per his entitlement without any reference to the date of drawal of previous advance.

For Motor cycle/scooter/moped/scooterette :

Actual price paid for the vehicle or on the road controlled price of the new vehicles whichever is less.

Officers in Grade 'A' will be eligible for second/subsequent conveyance advance for purchase of two wheeler after a period of three years.

4.4.4 Officers desiring to avail of fresh car loan may be allowed to retain old car purchased using previous conveyance loan. The outstanding loan and interest of the previous advance drawn by the officer would be recovered/adjusted in the subsequent advance (for car and two wheeler both).

Note: In such cases no assessment of old vehicle is required.

4.4.5 Reimbursement of Re-registration expenses, Road Tax and State Entry Tax on transfer:

Reimbursement of actual expenses incurred by an employee on re-registration of his/her car/scooter/motor-cycle/moped is permissible at the new place of posting subject to production of receipts. This facility shall be admissible only for one vehicle for which he/she has been claiming reimbursement of maintenance expenses. Actual expenses

incurred on payment of lumpsum Road Tax, shall also be reimbursed, provided the employee has paid one time Road Tax at the earlier place of posting and State Entry Tax, if any, at the new place of posting, on production of receipts.

4.5.0 Non-Officer employees

Advance is payable to permanent employees of the Corporation. The employees who have completed their probation period satisfactorily shall be treated as permanent employees for this purpose. Uniform rules shall be applicable in respect of conveyance advance as regards the eligibility, no matter whether the conveyance to be purchased is a Motor Car, Motor Cycle, Scooter/Moped or a Bicycle

- 4.5.1 Non Officer employees shall be eligible for grant of conveyance loan for purchase of two wheeler limited to the actual price paid for the vehicle or on the road controlled price of the new vehicle or Rs. 70,000/- whichever is less.

Note : (a) The term on the road controlled price would mean the price of the vehicle, Excise Duty, Sales Tax and Octroi but shall not include Registration charges, Road Tax, Cost of number plate & insurance etc.

(b) Registration money, if any required to be deposited for purchase of a vehicle shall be borne by the (non officer) employee concerned from his own sources. In such cases actual loan amount shall be restricted to the cost of the vehicle as defined above, minus the registration money.

- 4.5.2 Non-officers in Grade VI in Marketing Division and VII & VIII in Refineries Division, Pipelines Division and R&D Centre will however be permitted to purchase a four wheeler subject to a maximum loan of Rs.2,25,000 including expenses incurred on account of Comprehensive Insurance, Registration charges and Road Tax.

- 4.5.3 In case non officer employees desiring to avail second/subsequent advance, the outstanding loan and interest of the previous advance drawn by him would be recovered / adjusted in the subsequent advance. In such cases no assessment of the old vehicle shall be required.

- 4.5.4 No non officer employee shall be sanctioned second or subsequent advance for purchase of motor car/ Motor Cycle/Scooter/Moped/Scooterette unless a period of three years has elapsed since the drawal of advance by him on the previous occasion.

4.6.0 Authority competent to sanction Conveyance Advance (for Officers and non-Officers)

The Competent Authority to sanction Conveyance advance is as per the Delegation of Authority of respective Divisions

- 4.7.0** An employee drawing advance for purchase of conveyance must complete the transaction within one month from the date of drawal of advance. In case an employee retains the advance beyond one month or the balance unspent amount is not refunded to the Corporation within a period of two working days, without obtaining extension in writing, he shall be charged interest at the rate of 1% above IOC's borrowing rate from the date of drawl of advance till the date of deposit without prejudice to any such disciplinary action which may be initiated against him. He shall also be debarred for grant of all other loans/advances including HBA, except TA, medical and PF for any purpose for a period of five years from the date of refund of the loan amount.

Note : For the purpose of utilization of the money within one month from the date of drawl of advance, the total cost deposited with the dealer, would be considered as the advance utilized for the purpose it is drawn, provided the total advance drawn is deposited with the dealer within a period of one week from the date of drawal of advance.

- 4.7.1 No employee shall purchase a vehicle with loan assistance from any of his relatives dependent upon him or those debarred under the CDA Rules/standing orders.

4.8.0 Installments and Recovery

4.8.1 Motor Car

The advance sanctioned for the purchase of a car to the Officers shall be recovered in not more than 144 equal monthly installments and for non officer employees recovery will be made in 96 equal monthly installments.

4.8.2 Motor Cycle/Scooter/moped/Scooterette

The advance sanctioned for the purchase of a Motor Cycle/Scooter/Moped/ Scooterette shall be recovered in not more than 96 Interest

The principal and interest in cases where the left over service is less than maximum number of installments (144 for car and 96 for scooter / motorcycle), the principal and interest will be recovered through installments during the left over period in the ratio of 9:1.

4.8.3 Commencement of Recovery

The recovery of advance shall commence with the first issue of pay after the advance is drawn. It should be further ensured that the total various recoveries including monthly installment recovery towards Conveyance Advance should not exceed 65% of his monthly earnings.

4.9.0 Interest

- 4.9.1 The advance shall bear simple interest at such rate as may be fixed by the Corporation from time to time (present rate being 2.5%). The interest shall be calculated on balance outstanding advance as on the last day of each month. The recovery of interest shall commence from the month following that in which repayment of principal has been completed. Interest recovery shall be made in one or more installments, each being not appreciably greater than the instalment by which the principal was recovered.

Note : Even if an employee desires to refund the amount of advance within the stipulated period of one month from the date of drawl of advance, interest at prescribed rate (2.5%) shall be charged.

Any interest over and above the interest payable by the employee to the Corporation on the deposits that the employee has made with the manufacturer / dealer out of conveyance advance disbursed to the employee, will accrue to the Corporation and not to the employee.

In case of employee who ceases to be an employee of the Corporation by premature retirement/resignation/termination/dismissal or otherwise, the rate of

interest shall be enhanced to the then current Bank rate of interest on loan on the outstanding amount from the date of such cessation. This, however, is without prejudice to the right of the Corporation to reclaim the entire outstanding loan on such date of cessation.

4.10.0 Adjustment of gratuity amount against conveyance advance

The Corporation may allow adjustment of gratuity in respect of officers who have been granted conveyance advance for purchase of car and left with balance service of less than 100 months till the date of superannuation. Such adjustment is also allowed where gratuity amount is partly/fully committed towards House Building advance. However, officers who have earlier opted to adjust gratuity entitlement with conveyance advance may be permitted to opt out of such gratuity adjustment option.

4.10.1 The amount of gratuity adjusted against the conveyance advance shall bear normal rate of interest as may be fixed by the Corporation from time to time. The current rate of interest is 2.5% p.a.

4.10.2 The amount of gratuity due shall be worked out on the basis of the maximum stage of salary scale as existing at the time of option. Where the gratuity amount due is more than the amount of conveyance advance, the adjustment of gratuity amount shall be limited only to the extent of conveyance advance otherwise admissible.

4.10.3 The amount of conveyance advance not adjusted, including interest accrued on the advance as well as gratuity, shall be recovered from the salary in equal monthly installments prior to the date of superannuation.

4.11.0 Conveyance Advance to Deputationists

The Corporation may grant, subject to availability of funds, interest-bearing loan/advance to the deputationist for purchase of Motor Car/Motor Cycle/Scooter provided the competent Authority is satisfied that the possession of a vehicle by the deputationist will be in the interest of the Corporation.

4.11.1 Eligibility

Deputationists taken in the officer cadre of the Corporation shall be eligible for conveyance advance from the Corporation for purchase of a car as applicable to the corresponding grade of the Corporation.

4.11.2 Amount of advance, Installment and recovery

Within the above parameters, the amount of conveyance advance shall be limited to the amount, which can be recovered during his deputation tenure (the maximum period of three years).

It would be further ensured that the total various recoveries including monthly installment recovery towards conveyance advance should not exceed 65% of his monthly earnings.

4.11.3 Commencement of Recovery

Recovery of advance shall commence with the first issue of pay after the advance is drawn.

4.11.4 Interest

The advance shall bear the same rate of interest as is charged by the Corporation from its employees.

Execution of documents and completion of other formalities are the same as applicable to employees of IOC.

4.11.5 **General**

1. The deputationist shall be required to give an undertaking through an affidavit to refund the outstanding balance in one lumpsum at the time of his repatriation. Such undertaking shall also indicate that in case the deputationist does not refund the loan before his release from IOC, the Corporation would retain the vehicle, which is hypothecated to the Corporation, (till such time the liability of the officer is fully discharged).
2. The fact of the above undertaking through which the deputationist commits to pay the outstanding loan in one lumpsum at the time of repatriation will be brought to the notice of the parent department of the deputationist.
3. LPC will not be issued in favour of the deputationist unless the outstanding conveyance advance is cleared.
4. The interest payable on any loan amount not repaid to the Corporation on his day of repatriation shall be the Current Bank rate.

4.12.0 **Execution of documents and completion of other formalities**

4.12.1 Application for sanction of conveyance advance should be submitted in the prescribed form (**Annexure-I**).

4.12.2 At the time of drawing the advance the employee shall execute an agreement in the form prescribed for the purpose (**Annexure-II**)

4.12.3 On completion of transaction for the purchase of the vehicle, the loanee employee shall sign an unattested deed of hypothecation in the prescribed form (**Annexure-III**) immediately but in any case not later than three months from the date of purchase of vehicle.

Note : In case the employee is unable to hypothecate the vehicle as mentioned above, payment of conveyance maintenance reimbursement may be withheld till such time the vehicle is hypothecated though sanction for reimbursement of expenses for running and maintenance of vehicle for official purposes may be obtained from the Competent Authority, pending execution of hypothecation deed.

4.12.4 The officers allowed to adjust gratuity as per clause 4.10.0 shall furnish a gratuity undertaking as per **Annexure-IV**.

4.12.5 All stamp charges in connection with execution of above documents shall be payable by the employee concerned.

4.12.6 Immediately on purchase, the vehicle must be insured by the employee against full loss by fire, theft or accident on comprehensive basis. Insurance on owner driven or other similar qualified terms is not sufficient for the purpose of this rule. The insurance policy should also be assigned to IOC and the same is required to be mentioned in the policy.

4.12.7 The amount for which the vehicle shall be insured for any period must not be less than the balance of advance with interest accrued on it at the beginning of such period. The insurance shall be renewed from time to time on comprehensive basis till the amount is fully repaid.

4.13.0 Sale of Vehicle

4.13.1 Prior sanction of the Corporation shall also be necessary even if the entire advance and interest accrued thereon is fully repaid.

4.13.2 If an employee wishes to transfer the vehicle to another employee of the Corporation who performs duties that render the possession of a vehicle necessary, he may be permitted to transfer the liability attached to the vehicle to the latter officer provided he records a declaration that he is aware that the vehicle transferred to him remains subject to the hypothecation bond and that he shall be bound by its terms and conditions.

4.13.3 The sale proceeds must be applied in all cases, so far, as may be necessary, towards the repayment of the outstanding balance. If, however, the vehicle is sold only in order that another may be purchased, the Corporation may permit an officer to apply the sale proceeds towards such purchase subject to the following:

- (i) The cost of the vehicle should in no case be less than the amount outstanding.
- (ii) The amount outstanding shall continue to be repaid at the rate previously fixed
- (iii) The new vehicle must be insured and hypothecated to the Corporation as required under the rules.
- (iv) The vehicle shall be purchased within one month from the date of the sale of the old vehicle, failing which the outstanding loan together with interest should be repaid to the Corporation before the expiry of one month. Failure to do so the employee is liable for action as laid down in clause 4.7.0.
- (v) If the cost of the new vehicle, though more than the amount outstanding, is less than the sale proceeds of the old vehicle, the difference between the sale proceeds and the actual cost of the new vehicle must be refunded to the Corporation towards the repayment of the amount of advance outstanding.

4.13.4 An employee who has been given permission to sell a vehicle shall, immediately after the sale, give the name and address of the purchaser and the amount for which the vehicle is sold along with documentary proof and whether he has, had or is likely to have any official dealings with the purchaser.

4.13.5 An employee desiring to apply the sale proceeds of a vehicle purchased from advance granted by the Corporation to the purchase of a new vehicle shall also be required to sign a deed of hypothecation in the form prescribed for this purpose from time to time.

4.13.6 Sale of vehicle purchased with Company loan to a dependent member of his family is not permissible. The definition of family member for this purpose shall include dependant parents, spouse, children (step as well as adopted children).

4.14.1 The Grant of an advance for the vehicle does not imply that reimbursement of vehicle maintenance expenses shall also be admissible to the employee.

4.14.2 If the borrower ceases to be in the service of the Corporation, for whatever reasons, except in case of death, the entire balance of the loan with interest calculated as per provisions of rules shall immediately become due and payable to the Corporation and shall be recovered from his/her dues and / or estate. This, however, is without prejudice

to the right of the Corporation to reclaim the entire outstanding loan on such date of cessation.

4.14.3 Under the "Conveyance Loan Redemption Scheme", in case of death or permanent total disablement arising out of accident for which an amount equivalent to 0.3% of the outstanding loan including interest thereon as on 1st April every year will be recovered from the concerned employee. Conveyance loan would include Conveyance repair loan also. The claim arising out of death and permanent total disablement will be settled out of this amount.

4.14.4 An employee who has availed vehicle loan and subsequently resigns from the services of the Corporation to join other Government Undertaking shall be allowed a time limit of six months to make necessary arrangements to repay usual monthly installments directly to the Corporation at the same rate of interest which he would have paid, had he remained an employee of the Corporation.

In case any amount remains to be repaid to the Corporation after the period of six months, the rate of interest to be charged on such amount shall be 1% over and above IOC's borrowing rate, from the date of such cessation till the date of deposit.

4.14.5 In case any employee does not draw salary for any reason whatsoever, he shall make alternative arrangement for payment of the monthly installment to the Corporation failing which the Corporation shall be at liberty to enforce the recoveries through such actions as may be deemed fit.

4.15.0 Contravention of rules

Contravention of any of the above rules by an employee can result in forfeiture/withdrawal of reimbursement of expenses and such other disciplinary action as may be permissible under the rules.

4.16.0 Scheme for grant of Conveyance Repair Advance to Officers and Non-Officers

4.16.1 Eligibility

Any employee who owns and operates a conveyance, which is not less than five years old from the date of manufacture of the vehicle and has been sanctioned by the Corporation, reimbursement of expenses on maintaining and running the conveyance for official purpose as per the Corporation rules, shall be eligible for Conveyance Repair Advance (CRA) for major repairs to the vehicle.

4.16.2 Quantum of Conveyance Repair Advance

	After three years from the date of drawal of previous car loan/CRA	After five years from the date of drawal of previous car loan/CRA
Car	Rs.10,000/-	Rs.20,000/-
Two-wheelers	Rs.2,000/-	Rs.5,000/-

4.16.3 Payment of CRA

An employee eligible to draw CRA shall submit a formal application in the prescribed form (**Annexure-V**) to the Competent Authority giving all necessary details, regarding self and vehicle, relevant to the grant and regulation of CRA duly supported by a detailed list of major jobs to be undertaken on the vehicle and the total estimated cost

thereof. Within 60 days from the date of drawal of the advance the officer shall submit to the competent authority the following :

- (a) Originals of the detailed bill(s) of the garage/repairer, stipulating the items of work done and individual cost thereof.
- (b) Each bill shall be endorsed by the employee with a certificate that all the items of works billed and paid for have actually been carried out.
- (c) If there is any residual amount left over (the difference between the CRA drawn and the total of the bills/receipts submitted in support), the same shall be refunded to the Corporation forthwith. In case such residual advance exceeds Rs.500/-, interest at 1% over and above the ruling bank rate will be chargeable on the amount from the date of payment of CRA to the date of refund.
- (d) Stamped receipts from the garage/repairer shall be deemed as evidence of payment by the employee.

4.16.4 Recovery of Conveyance Repair Advance

For Cars

- (a) Within a maximum of 36 monthly installments subject to monthly installment amount being not less than Rs.300/- in case the advance is Rs.10,000/- or less.
- (b) Within a maximum of 60 monthly installments subject to the monthly installments amount being not less than Rs.350/- in case the advance is Rs.20,000/-.
- (c) Monthly recovery amount rounded off to next higher Rs.25/-. Final adjustment to be made in the last installment.

For Scooters/Motor Cycles

- (a) within a maximum of Rs.36 monthly installments subject to the monthly installment amount being not less than Rs.60/- in case the advance is Rs.2000/- or less.
- (b) Within a maximum of 60 monthly installments subject to the monthly installment being not less than Rs.90/- in case the advance is more than Rs.2000/- and upto Rs.5000/-.
- (c) Monthly recovery amount rounded off to next higher Rs.10/-. Final adjustment to be made in the last installment.

The recovery of advance shall commence from the month following the date on which the advance amount has been disbursed.

4.16.5 Interest on Advance

The CRA shall carry the same rate of interest as applicable from time to time on the advance for purchase of conveyance (the current rate being 2.5% p.a.)

Note : Please see para 4.16.3 regarding excess drawal of advance.

4.16.6 Conditions governing the advance

4.16.6(A) CRA will be sanctioned subject to the following run-out periods after the purchase of a conveyance.

New Vehicles	After 5 years of purchase
Secondhand Vehicles	After 3 years of purchase (however, a period of 5 years must have elapsed since the date of purchase by the 1 st Owner).

4.16.6(B) Subsequent CRA will be admissible to an eligible Officer, as indicated below:

For Cars

(a) After 3 years - if the previous CRA was Rs. 10,000/- or less.

(b) After 5 years - if the previous CRA was more than Rs. 5000/- and upto Rs. 20,000/-.

For Scooters/Motor Cycles

(a) After 3 years - if the previous CRA was Rs. 2000/- or less.

(b) After 5 years - if the previous CRA was more than Rs. 2000/- and upto Rs. 5,000/-.

Note: Once a CRA is drawn, no subsequent advance for purchase of a conveyance shall be payable to the officer for a period of three years from the date of drawal of CRA.

4.17.0 Bicycle advance

The Corporation may grant interest bearing Bicycle Advance to its permanent non-officer employees.

4.17.1 The amount of advance admissible for the purchase of bicycle shall be limited to the actual price paid or the cost of a new bicycle, whichever is less. If the actual price paid is less than the advance taken the balance shall be forthwith refunded by the employee to the corporation. Application for sanction of bicycle advance should be submitted in the prescribed form(Annexure-VI)

Second and subsequent advance

Second and subsequent advance shall not be granted unless a period of three years has elapsed since the grant of previous advance.

4.17.3 The advance can, however be granted before the expiry of three years period from the date of first advance in case.

- i) Bicycle is stolen/lost, but not due to negligence of the employee and
- ii) Bicycle has broken down or has become unserviceable due to accident etc.

Each such case shall however, be decided on its merit subject to the condition that in no case new advance shall be allowed unless the earlier advance has been duly paid back to the Corporation with interest.

4.18.0 Authority competent to sanction advance

The Competent Authority to sanction Bicycle advance is as per the Delegation of Authority of respective Divisions

4.19.0 Interest

The advance shall bear simple interest at the rate of 2.5% per annum or such rates as may be fixed by the Corporation from time to time. In case of default in the payment of principal or interest a penal rate of compound interest shall be levied upon all installments of interest or principal which have become due.

4.20.0 Repayment

The advance shall be repayable in not more than 24 installments including the interest on advance.

4.20.1 The purchase of bicycle shall be completed within one month from the date of drawal of advance failing which the full amount of advance drawn with interest thereon shall be refunded to the Corporation.

4.20.2 The borrower shall, within one month after drawing the advance furnish the sanctioning authority with a certificate giving full particulars of the conveyance purchased with the advance and the cash receipt for the amount actually paid.

4.20.3 At the time of drawing the advance the employee shall execute a promissory note in the prescribed form for the purpose (Annexure-VII)

4.21.0 Prior sanction of the Corporation shall be necessary for the sale of bicycle purchased by an employee with the aid of an advance from the Corporation in case full advance with interest accrued thereon has not been fully repaid. The sale proceeds of the bicycle shall be utilised for the payment of the outstanding balance of the advance with interest thereon.

4.22.0 If the borrower ceases to be in the service of the Corporation, for whatever reason or dies or becomes insolvent the entire balance of the loan with interest shall immediately become due and payable to the Corporation and shall be recoverable from dues and/or estate.

4.23.0 Contravention of these rules shall render the employee concerned liable to refund the whole of the amount advanced with interest accrued unless there are good reasons to the contrary.

4.24.0 Emergency Advance

Emergency advance may be sanctioned to employees when they suffer financial loss due to natural calamities to the extent of three months basic pay or Rs.15,000/- whichever is less subject to the following conditions:

1. The advance shall be admissible only to the confirmed employees.
2. One or more dependent relations should be permanently residing in the area affected by natural calamity.
3. The employees shall issue receipt for the advance received.
4. The advance shall be interest free and shall be recoverable in 24 installments. The recovery shall commence from the second issue of pay after the advance is drawn.

5. The employee shall obtain a certificate from the Deputy Collector/ Magistrate/SDO/Gram Panchayat that his property is affected or damaged by the natural calamity. In case the certificate from the above mentioned authorities is not available, GM/Deptt. Head are authorised to verify the genuineness of the case from the available information and also from the personal record and sanction the above.

No advance shall be sanctioned unless the balance of the previous advance is fully recovered.

4.25.0 Authority competent to sanction advance

The Competent Authority to sanction Conveyance advance is as per the Delegation of Authority of respective Divisions

4.26.0 Legal assistance, indemnity and loan to officers for defending certain proceedings.

A. Legal Assistance

Corporation shall undertake the defense of an officer (including a Director or retired officer or Director) who is prosecuted, sued or made party to legal proceedings by name or office in a representative or official capacity.

B. Scheme of Loan and Indemnity

An officer (including a Director or retired officer or Director) who is not eligible to be defended by the Corporation under (A) above and is involved in Civil or Criminal proceedings instituted against him/her arising out of or in connection with his/ her employment with the Corporation may be eligible to be considered for a loan in accordance with the scheme to enable such officer to properly defend himself/herself, if the subject matter of prosecution or proceedings is not:

- (a) any proceedings instituted by or on a complaint of the Corporation against the officer; or
- (b) any proceedings against the officer involving an act or omission or breach, default or neglect designed or intended to cause loss or damage to the Corporation or its property or resulting in loss or damage to the Corporation or its property; or
- (c) any proceedings for which the Corporation has given its consent to the State or Central Government or to the Central Bureau of Investigation or other agency involved for the prosecution of the officer.

The loan under the scheme is subject to a limit of Rs. 3 Lacs and is intended to meet payment of approved legal cost incurred in defending the suit or proceedings, including filing and prosecuting any appeal(s), legal cost for the purpose of this scheme shall include reasonable lawyers fee and court fee wherever applicable.

4.27.0 Festival advance

Advance on the eve of important festivals shall be granted to all categories of non-officer employees without any restriction of pay. The advance shall not be granted to the temporary staff who is not likely to continue in service or a period of at least six months beyond the month in which advance is drawn.

4.27.1 Amount of advance

Rs.7000/-

4.27.2 Repayment of advance

The advance shall be interest free and shall be recovered in not more than 10 equal monthly installments.

4.27.3 Important Festivals

Any such festivals as the Head of Establishment may declare in respect of establishment under his administrative control.

4.27.4 Application Form

The application form for the festival advance should be submitted in the prescribed proforma as is given in Annexure-VIII

4.27.5 Eligibility

Festival advance to an employee shall be admissible only once in a calendar year provided the advance taken in the earlier year has been repaid in full.

4.27.6 The advance shall be disbursed and drawn before the commencement of the festival for which the advance is sanctioned.

4.27.7 Sanctioning Authority


The Competent Authority to sanction Festival advance is as per the Delegation of Authority of respective Divisions

4.28.0 Non-utilisation of advances

In cases where any of the advances, including HBA have not been utilised for the purpose for which they were granted and have not been refunded within the permissible period and thereby have been misused, they will be charged interest at the rate of 1% above the Corporation's borrowing rate. In addition, they shall be debarred from grant of any advance/loan except PF, Medical and TA for any purpose for a period of five years from the date of refund of the loan amount. The employee, thereafter, shall be considered for grant of any advance subject to the rules for grant of concerned advance. The debarring from grant of advance/loan for a period of five years or charging the higher rate of interest as indicated above is without prejudice to any disciplinary action which may be taken as per Rules.

ANNEXURE-I

Form No. Admn.1A

 APPLICATION FOR CONVEYANCE ADVANCE IndianOil		DATE					
		PLACE OF POSTING					
		EMP. NO.					
NAME	DEPTT.	GRADE					
DESIGNATION	SCALE OF PAY	FIRST ADVANCE SUBSEQUENT ADVANCE					
Details of vehicle to be purchased							
CAR	SCOOTER	MOTOR CYCLE	MOPED	NEW	OLD		
MAKE & MODEL		Anticipated price Rs. (Attach invoice proforma)		Advance Required Rs. To be repaid in Installments			
DETAILS OF PREVIOUS ADVANCE (IF SUBSEQUENT)							
Date of Drawal		Amount Drawn Rs.		Amount Outstanding Rs.			
Continues to possess vehicle		Vehicle sold		(Attach certificate from Finance)			
Expected Sale proceeds, if possessing vehicle Rs.		If vehicle sold, Date Sold _____ Amount realized Rs.		Type, make & model of vehicle			
Conveyance Repair Advance							
Whether drawn	Yes or no	If drawn	Date of drawal	Amount drawn			
Produce certificate from Finance about outstanding amount				Amount outstanding Rs.			
Delete whichever is not applicable			I certify that:				
			1. Information given above is complete and true 2. I have not taken delivery of vehicle for which I am seeking advance. 3. Advance required excludes actual / expected sale proceeds 4. I have not been debarred for availing Conveyance Advance.			Applicant's Signature	
Yes	No	Sign	Recommended by HOD				
For Use in Admn. Department							
Whether eligible for amount requested		Yes	No	To be sanctioned		Not to be sanctioned	
Cost of vehicle to be purchased		Rs.		Signature of the Officer in charge		Date	
Notional value of existing vehicle / sale proceeds of old vehicle		Rs.		Name		Design.	
Loan amount to be disbursed		Rs.		Forwarded by		Name	
Previous outstanding advance		Rs.		Name		Design.	
Modified loan amount		Rs.		Signature of sanctioning Authority		Sign	
No. of installments				Name		Design.	
Amount to be sanctioned (in words) Rs.				Name		Sign	

FORM OF AGREEMENT

An agreement made on this _____ day of _____ Two thousand and _____
BETWEEN _____ employed as _____ in the
_____ Deptt. of _____ having employee No. _____ which expression shall
include his legal representatives and assignees, on the one part and the Indian Oil Corporation
Limited (..... Division) (herein after referred to as "the Corporation") which expression shall include
its successors and assignees of the other part.

WHEREAS the borrower has under the provisions of the Rules for the grant of advance to
employees of the Corporation for the purchase of Motor Cars / Motor Cycles / Scooters (hereinafter
being in force) applied to the Corporation for a loan of Rs. _____ (Rs. _____
_____ only) for the purchase of a motor vehicle and the Corporation has
agreed to lend the said amount to the Borrower on the terms and conditions hereafter contained.

NOW IT IS HEREBY AGREED between the parties hereto that in consideration of the sum of Rs.
_____ paid by the Corporation to the Borrower (the receipt of which the Borrower hereby
acknowledges) the Borrower hereby agrees with the Corporation (1) to pay to the Corporation the
said amount with interest calculated according to the said Rules by monthly deduction for his salary
@ Rs. _____ as provided for in the said Rules and hereby authorize the Corporation to make
such deductions (2) within one month from the date of these presents to expend the full amount of
the said loan in the purchase of a motor vehicle or if the actual price paid is less than the loan to
repay the difference to the Corporation forthwith and (3) to execute a document hypothecating the
said motor vehicle to the Corporation as security for the amount lent to the Borrower as aforesaid
and interest in the form provided by the said RULES AND IT IS HEREBY LASTLY AGREED AND
DECLARED that if the motor vehicle has not been purchased and hypothecated as aforesaid within
one month from the date of these presents or if the Borrower within that period becomes insolvent or
quits the service of the Corporation or dies, the whole amount of the loan and interest accrued
thereon shall immediately become due and payable (4) and in the event Borrower chooses to leave
the services of the Corporation against the specific consent of the Management Borrower will repay
the total advance with interest at the borrowing rate to the Corporation irrespective of the fact that
the total loan/interest is fully or partly refunded to the corporation at the time of resignation.

The said _____ (Borrowers' Name) and Shri _____ for and
on behalf of the Corporation have hereunto set their respective hands on this day and year first
herein above written.

Signed by the
within named Borrower

Signature and designation of Borrower

Signed by the within named
for and on behalf of
Indian Oil Corporation Ltd.

Signature and designation
of the authorised officer
for and on behalf of
Indian Oil Corporation Ltd.

DEED OF HYPOTHECATION

THIS INDENTURE made on this _____ day of _____ 20 ____ BETWEEN Shri/Smt _____ employed as _____ in the deptt. of _____ having Emp. No. _____ (hereafter called "The Borrower") which expression shall include his heirs, administrators, executors and legal representatives of the one part and the Indian Oil Corporation Limited (..... Division) (hereinafter called "the Corporation") which expression shall include its successors and assignees of the other part.

WHEREAS the Borrower has applied for and has been granted an advance of _____ to purchase a Motor Vehicle on the terms of the Rules for the grant of advance to the employees of the Corporation for the purchase of Motor Cars/Motor Cycles/Scooters (hereinafter referred to as "the said Rules" which expression shall include any amendment thereof or addition hereto 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 Corporation as security for the amount lent to the Borrower and WHEREAS the Borrower has purchased with the said amount (full or part) so advanced as aforesaid the Motor Vehicle particulars whereof are set out in the Schedule hereunder written.

NOW THIS INDENTURE WITNESSES that in pursuance of the said agreement and for the consideration aforesaid the Borrowers do hereby covenant to pay to the Corporation the sum of _____ aforesaid or the balance thereof remaining unpaid on the date of these presents by equal payments of Rs. _____ each on the first date of every month and will pay interest on the sum for the time being remaining due and owing calculated according to the said Rules and Borrower doth agree that such payments may be recovered by monthly deductions from his/her salary in the manner provided by the said Rules, and in further pursuance of the said agreement the Borrower doth hereby assign and transfer unto the Corporation 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 Corporation in respect of the said advance shall not pledge or part with the property in or possession of the said Motor Vehicle. PROVIDED ALWAYS and it is hereby agreed and declared that if any of the said installments of principal or interest shall not be paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower shall die or at any time ceases to be in the service of the Corporation 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 of judgement against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with the interest thereon calculated as aforesaid shall forthwith become payable AND IT IS HEREBY AGREED AND declared that the Corporation may on the happening of any of the events hereinbefore mentioned seize and take possession of the said Motor Vehicle and either remain 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 its 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 Corporation, to sue the Borrower or his personal representatives the said balance remaining due and interest or in 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 Corporation, he 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 Corporation and will produce evidence to the satisfaction of the Corporation that the Motor Insurance Company with whom the said Motor Vehicle is insured have received notice that the Corporation 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 greater degree than it would deteriorate by reasonable wear and tear thereof AND further that in the event any damage or accident happening to the said Motor Vehicle the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of Motor Vehicle	:	Motor Car/Scooter/Motor Cycle
Maker's Name	:	
Year of Manufacture	:	
Description	:	Regn. No.
No. of cylinders	:	
Engine No.	:	
Chassis No.	:	
Cost price	:	

The said _____ (Borrower's name) and _____ for and on behalf of Indian Oil Corporation, have hereunto set their respective hands the day and year first hereinabove written.

Signed by the
within named Borrower

Signature and designation of Borrower

Signed by the within named
for and on behalf of
Indian Oil Corporation Ltd.

Signature and designation
of the authorised officer
for and on behalf of
Indian Oil Corporation Ltd.

ANNEXURE-IV

GRATUITY UNDERTAKING

I, _____, resident of _____, Indian Inhabitant, being an employee/staff member/officer of Indian Oil Corporation Limited, to whom the provisions of the Payment of Gratuity Act, 1972 (hereinafter called "the Gratuity Act") or the Gratuity Rules framed by the Indian Oil Corporation Ltd.(hereinafter called "the Gratuity Rules) apply, in consideration of Indian Oil Corporation Ltd., (hereinafter referred to as "the Corporation") having granted to me a housing loan advance of Rs._____ (loan amount) in terms of the Agreement dated the _____ day of _____ 19 ____ entered into between me and the Corporation, hereby agree, covenant and undertake with the Corporation (which will include its successors and assigns) as follows:

1. In the event of my ceasing to be in the service of the Corporation, whether by retirement/death/dismissal/discharge/resignation/operation of law or due to any other reason or cause whatsoever the Corporation shall be entitled to deduct, adjust, appropriate and set off from the amount due to me as gratuity under the Gratuity Act/the Gratuity Rules against my liability in respect of the principal amount, interest and other costs charges and expenses due by me to the Corporation in respect of the housing loan advance granted to me by the Corporation under the said Agreement or in respect of any security document created or to be created pursuant thereto.
2. That the Corporation shall be liable to pay to me only the balance amount of gratuity due to me under the Gratuity Act/the Gratuity Rules after deducting as aforesaid and such deduction shall be considered and be deemed to be fully and duly authorised and binding on me.
3. This letter of undertaking shall be binding on me and my heirs executors and administrators and any nominee or nominees indicated in the nomination from that I may have executed from time to time to the end and intent that this letter of undertaking shall be deemed to have overriding effect.
- 4 I shall not revoke, withdraw or modify this letter of undertaking at any time hereafter and the same shall remain in operation so long as my liability in respect of the amount of loan is not satisfied or discharged.
- 5 I shall sign and execute such receipts, discharges and other writings as may be required by the corporation to implement this undertaking from time to time and not do or execute or cause to be done or executed any act deed or thing whereby the above undertaking shall be cancelled or prejudicially affected. I shall not create any mortgage charge lien or other encumbrance or disposal of the amount that may become due to me under the Gratuity Act or the Gratuity Rules or my right title or interest thereto so long as any amount is due and outstanding by me to the Corporation.
- 6 I have executed this letter of undertaking voluntarily of my own free will and accord and knowing fully well that on the faith of the assurance and representations herein above contained the Corporation has agreed to grant to me the said housing loan in terms of the said agreement.
- 7 Non-enforcement or non-recovery of any amount by the Corporation under this letter of undertaking or any waiver modification or discharge by the Corporation shall not affect or be deemed to affect any obligation, liability, security etc. already executed or hereafter to be executed for the purpose of the said housing loan advanced to me by the Corporation to the end and intent that this undertaking shall be deemed to be a separate and distinct undertaking and will not affect or prejudice any securities held or to be held by the Corporation from time to time.

Dated this _____ day of _____ 20__.

Borrowing Member

Witnesses:

ANNEXURE-V

**INDIAN OIL CORPORATION LIMITED
(..... Division)**

**Application-cum-Voucher
for Conveyance Repair Advance**

Name	Designation	Emp. No.
Department	Office	Pay scale
Car/Scooter/Motor Cycle Regn. No.	Year of Mfg. Of Vehicle	Date of purchase by employee
Conveyance Advance/Conveyance Repair Advance Last drawn on		Amount

Date of Superannuation (applicable only for those officers who have less than 50 months of service)

Conveyance Repair Advance of Rs._____ (Rs._____) may be granted to me in terms of the CRA Rules of the Corporation, the provisions of which I undertake to adhere to and comply with.

An estimate of the repairs jobs to be undertaken on my vehicle together with the estimated cost thereof is attached in support of this application.

Place : _____

Date : _____

Signature : _____

FOR USE IN ADMINISTRATION

The particulars have been verified. The applicant is eligible for a CRA of Rs._____. Recommended for Sanction.

Dealing Officer

FOR USE IN FINANCE DEPTT.

Sanctioned for payment

Sanctioning Authority

Passed for payment of Rs._____ (Rupees_____)

Accounts Officer

ANNEXURE-VI

APPLICATION FOR BICYCLE ADVANCE CUM SANCTION LETTER		DATE
		LOCATION
NAME	EMP. NO.	DESIGNATION
DATE OF APPOINTMENT	DATE OF CONFIRMATION	DATE OF SUPERANNUATION
ADVANCE REQUIRED	Refundable in _____ No. of installments	Particulars of previous advance 1 st Advance taken on Advance taken on
<p>I certify that the information given above is correct and that :</p> <ol style="list-style-type: none"> 1. There is no amount outstanding against me in respect to either scooter or cycle advance. 2. I will submit a promissory note before the drawal of advance and purchase and take possession of cycle within one month from the date of advance is drawn and produce the receipt for purchase, failing which I undertake to refund the advance in full immediately. 3. Balance amount if any, after purchase shall be refunded by me immediately. <p align="right">Applicant's Signature</p>		
Advance Recommended	Controlling Officer	Sanctioned Sanctioning Authority
SANCTION OF BICYCLE ADVANCE		
<p>Name _____ Designation _____ Dept. _____</p> <p>Advance of Rs. _____ (Rs. _____ only) is sanctioned for the purchase of Bicycle as per conditions given below:</p> <ol style="list-style-type: none"> 1. Advance will be recovered in _____ monthly installments commencing with first issue of pay after the advance is drawn. 2. The advance will bear simple interest at the rates as fixed by the Corporation from time to time. The present rate of interest is 2 ½ % per annum. 3. You will execute a promissory note by affixing appropriate stamp thereon at your cost and submit to Finance Dept. for drawal of advance. 4. You will furnish to Finance Dept. a Certificate within one month from the date of drawal of advance giving full particulars of the vehicle purchased and enclosing therewith the cash receipt obtained for the amount actually paid for the Bicycle, failing which the advance amount with interest thereon will have to be refunded forthwith. 5. You will normally use the Bicycle for coming to the office and that it will be made available for verification as and when required. <p>CC : Finance Dept.</p> <p align="right">Sanctioning Authority</p>		

INDIAN OIL CORPORATION LIMITED
(..... Division)

FORM OF PROMISSORY NOTE
(Agreement for Bicycle)

Date : _____

On demand, I _____ (Name in full) promise to pay
to Indian Oil Corporation Limited (..... Division) _____ or order the sum of
Rs. _____ (Rupees _____ only) with interest at the rate
of _____ percent per annum for value received in cash.

Signature _____

Designation _____

Emp. No. _____

ADDRESS

INDIAN OIL CORPORATION LIMITED
(..... Division)

APPLICATION FOR FESTIVAL ADVANCE

1. Name of the Employee :
2. Designation :
3. Emp. No :
4. Department :
5. Date of appointment :
6. Pay :
7. Whether permanent or Temporary :
8. Amount of advance required :
9. Name of the festival for which advance is required :
10. Details of Previous advance taken, if any, During the current calender year :
10. Other remarks if any :

I understand that the amount of advance will be recovered from me in _____ installments.

Signature of the applicant
Section : _____

Forwarded

It is certified that the applicant is likely to continue in service for the next six months.

CONTROLLING OFFICER

For use in Admn. Deptt.

The particulars have been verified. The applicant is eligible for festival advance of Rs._____.
Recommended for sanction.

Sanctioned for payment

Dealing Officer

Sanctioning Authority

ANNEXURE-IX

I, _____ (Name & address) now on deputation from _____ (name of the parent Dept.) to _____ (name of IOC Unit) as _____ (designation) do hereby solemnly affirm and declare that I shall refund the outstanding balance of the conveyance advance granted to me along with interest in one lump sum to _____ (name of IOC Unit) at the time of my repatriation to my parent department _____, New Delhi.

I also undertake to repay the advance along with interest drawn by me during my deputation tenure period.

I, also solemnly agree to the condition that the vehicle which is hypothecated to _____ (name of IOC unit) would be retained with the _____ (name of the unit) till such time my liability not fully discharged in case I do not refund the loan before my release from _____ (name of unit).

I also solemnly agree to the condition that LPC would not be issued in my favour unless the outstanding conveyance advance along with interest is cleared by me.

That the statement made above are true to my knowledge and belief.

And I sign this Affidavit this date of _____ at _____ .

DEPONENT

Identified by Me

Advocate