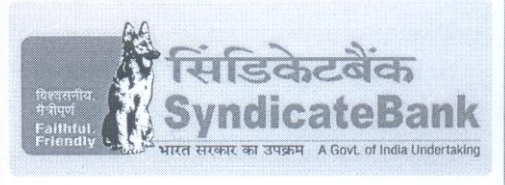


प्रधान कार्यालय: मणिपाल 576 104 (कर्नाटक)
Head Office: Manipal-576104(Karnataka)
संगठन एवं पद्धति प्रभाग
ORGANISATION & METHODS DIVISION



Circular No.452-2015-BC-PD-57-SWD

Date: 05-11-2015

PERMANENT UTILITY

ENHANCEMENT IN STAFF VEHICLE LOAN LIMIT

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Attention of staff members is invited to our circular No. 131-2011-BC dated 23-05-2011 on the above scheme.

The Board of Directors have now permitted enhancement of Staff Vehicle Loan for purchase of Motor Car to ₹8.00 lakhs for Officers and ₹6.00 lakhs to Workmen. The details are furnished in the **Annexure.**

Clarification required, if any, on this circular may be sought from **STAFF WELFARE DIVISION, PERSONNEL DEPARTMENT** at Head Office, Manipal, through respective R.O. as per extant guidelines.

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(GOPINATH T IYER)
GENERAL MANAGER (P)

ANNEXURE**STAFF VEHICLE LOAN SCHEME**

PURCHASE OF TWO WHEELER		
Particulars	Officers	Workmen
Eligibility	All confirmed Officers who have completed 3 years of service.	All confirmed Workmen employees who have completed 3 years of service.
Maximum Limit	₹ 1.00 lakh or 95% of the on road cost of the vehicle whichever is less.	₹ 0.80 lakh or 95% of the on road cost of the vehicle, whichever is less.
Rate of Interest	Base Rate (Funded)	Base Rate (Funded)
Type of vehicle	Brand new motor cycle/scooter/scooty/two wheeler of any make.	Brand new motor cycle/ scooter/scooty/two wheeler of any make.
PURCHASE OF MOTOR CAR		
Eligibility	All Officers who are confirmed and have completed three years of service.	All Workmen employees who are confirmed and have completed 3 years of service.
Maximum limit	₹ 8.00 lakh or 95% of the on road cost of the vehicle whichever is less.	₹ 6.00 lakh or 95% of the on road cost of the vehicle whichever is less.
Rate of Interest	Base Rate (Funded)	Base Rate (Funded)
Type of vehicle	Brand new motor car or second hand car of not more than 5 years old. For second hand car, loan amount shall not exceed 75% of the sale value or valuation whichever is less.	Brand new motor car or second hand car of not more than 5 years old. For second hand car loan amount shall not exceed 75% of the sale value or valuation whichever is less.

Note: The maximum vehicle loan limit permitted is ₹ 8.00 lakhs for Officers and ₹ 6.00 lakhs for Workmen which can be utilised for purchase of one two wheeler and one Motor Car with limits as above. For example, out of the total limit of ₹ 8.00 lakhs for Officers, in case ₹ 1.00 lakh is utilised for purchase of two wheeler, then the limit available for purchase of motor car is ₹ 7.00 lakhs only. Likewise, if ₹ 8.00 lakh is utilised for purchase of motor car, then no limit will be available for purchase of two wheeler.

Other terms and conditions (applicable to both Officers and Workmen employees)

Repayment	<p>In case of two wheelers, Loan together with interest shall be repayable in not more than 84 equal monthly installments. Principal is to be repaid in 70 monthly installments and funded interest in not more than 14 equal monthly installments thereafter. If the service is less than 84 months before retirement, the loan shall be repaid in the ratio of 5:1 towards principal and interest respectively.</p> <p>In the case of motor car, Loan together with interest shall be repayable in not more than 200 equal monthly installments. Principal is to be repaid in 120 monthly installments and funded interest in not more than 80 equal monthly installments thereafter.</p>
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Cut Back	Repayment towards monthly installments of all loan including EPF loan shall not exceed 60% of total monthly emoluments (Gross Pay)
Subsequent loan	Can be granted only after the existing vehicle loan is closed in full and at least completed 4 years from the date of first availment.
Continuing of loan beyond Superannuation	<p>In case the total repayment period available for Motor Car Loan is less than 200 months, the loan installments can be fixed for 200 months and the employee may be allowed to close the balance outstanding in the loan at the time of superannuation or convert the outstanding balance under the loan to SyndVahan Loan of the Bank as applicable to general public, at the time of conversion, on the following terms and conditions:</p> <ol style="list-style-type: none"> 1. Continuation of loan after retirement is applicable only to such employees who are getting pension. 2. On the date of superannuation, the funded interest, if any, outstanding shall be transferred to the principal amount and the EMI to be fixed so that the tenor of the loan does not exceed 200 months from the date of availing Staff Vehicle Loan or the employee completing the age of 70 years whichever is earlier. 3. In case cut back norms are not fulfilled and eligibility works out to lesser amount, then the documentation shall be done for eligible amount only, after recovering the difference amount from out of the terminal benefits of the employee. 4. The rate of interest as applicable to SyndVahan Loan Scheme of the Bank as on the date of superannuation shall be applied. Necessary documents shall be got completed by the staff within one month from the date of superannuation at the Branch where the employee availed staff vehicle loan. Till such time, an amount equivalent to the loan balance with interest be kept as Fixed Deposit from the terminal benefits. 5. After completion of aforesaid documentation, the loan shall be transferred to the pension drawing branch. An irrevocable standing instruction should be obtained for recovery of EMIs. 6. No processing and documentation charges are to be collected for the conversion of staff vehicle loan into SyndVahan loan. 7. All other terms and conditions as applicable to SyndVahan Loan scheme shall be scrupulously followed.