



As on: 28/03/2025

Subject: Conveyance Advance Scheme

The current instructions on the above subject are as under:-

1. PURPOSE:

The Conveyance Advance may be granted to the eligible employees for the following purpose:

- a) For purchase of Car / Scooter / Motorcycle / Moped.
- b) For repayment of balance of loan taken by an employee from his previous employer for purchase of vehicle.

2. DEFINITIONS:

In this Scheme, unless the context otherwise requires:-

- 2.1 "Company" means the Oil and Natural Gas Corporation Limited incorporated under the Companies Act, 1956.
- 2.2 "Competent Authority" means the authority empowered to sanction conveyance advance in accordance with this scheme.
- 2.3 "New Car / Scooter/Motor Cycle / Moped" means a Car / Scooter / Motor Cycle / Moped purchased directly from the Authorised Dealer / Manufacturer.
- 2.4 "Old Car / Scooter / Motor Cycle / Moped" means a Car / Scooter / Motor Cycle / Moped which is purchased from the party which had purchased it directly from the authorized dealer / manufacturer, even if in the year of manufacture and any other mode of purchase.

3. ELIGIBILITY:

- 3.1 The eligibility shall be as follows:

S No	PURPOSE	ELIGIBILITY
I.	Purchase of car on first occasion	Executives: After completion of one year service at E-0 level. Fresh Entrants at E-1 level:

		After completion of two years' service. Fresh Entrants (Executives) at Other levels: After completion of initial probation. S Level Employees: After completion of one year service at S-1 level.
II.	Purchase of car on subsequent occasions	After five years of first advance.
III.	Purchase of scooter / motorcycle on first occasion	Executives: After completion of initial probation. Employees of Unionized Category: After completion of one year service.
IV.	Purchase of scooter / motorcycle on subsequent occasions	After five years of first advance.
V.	Purchase of moped on first occasion.	All employees of unionized category: After completion of initial probation.
VI.	Purchase of moped on subsequent occasions.	After five years of first advance.

3.2 The employees who have completed ten years continuous service including the service rendered in any Govt. Organization/Public Sector Undertaking without break will be eligible for conveyance advance even prior to completion of probation. Such employees, however, are required to furnish surety as per the rules.

3.3 For employees who join at Board level positions in ONGC from other PSUs:

3.3.1 The amount of outstanding conveyance advance plus accumulated interest thereon as on the date of relieving will be paid by ONGC to the previous employer after the executive joins ONGC.

3.3.2 The vehicle against which the conveyance advance is released is to be hypothecated to ONGC in line with the existing scheme.

3.3.3 In cases wherein the amount of principal and accumulated interest due thereon on the date of joining ONGC works out to be more than the ceiling admissible to such grade of executives in ONGC, the amount of advance will be restricted to such entitlement and such employee will have to settle the difference in amount with the previous employer.

3.3.4 Such executive will be eligible for next conveyance advance after five years of release of payment.

3.3.5 All other terms and conditions of ONGC conveyance Advance scheme will be applicable in such cases.

3.4 Conveyance advance cannot be sanctioned / utilized for purchase of a transport or a commercial vehicle.

4. **MONETARY CEILINGS:**

Type of vehicle	Level of employee	Approved Ceiling (Actual cost of car, inclusive of registration tax and road tax, within the following ceilings) (in ₹)
Car Advance New / old car either on first occasion or subsequent occasions.	E8 & above	30.00 Lakh
	E6 – E7	25.00 Lakh
	E4 – E5	17.50 Lakh
	E1 - E3	12.50 Lakh
	E-0 & S level	9.00 Lakh
Scooter / Motor Cycle Advance New /old two wheeler either on first or subsequent occasions.	All eligible employees	Actual cost of two wheeler inclusive of registration tax and road tax within the ceiling of Rs.1,80,000/-.

Expenses incurred on registration of the vehicle and road tax would be allowed within the above mentioned ceilings.

5. **INTEREST RATE:**

The interest @ 4% per annum shall be charged on conveyance advance. applicable with effect from 1st April, 2004.

6. **REPAYMENT OF CONVEYANCE ADVANCE:**

6.1 The sanctioned amount of conveyance advance shall be recovered as under:

PURPOSE	RECOVERY SCHEDULE
Car Advance	
Either on first occasion or subsequent occasions	Principal- Maximum 120 instalments Interest- Maximum 24 instalments
Scooter/Motorcycle/Moped Advance	
Either on first occasion or subsequent occasions	Principal- Maximum 90 instalments. Interest- Maximum 10 instalments.

6.2 The above-mentioned re-payment schedule shall be applicable only to the cases where conveyance advance is granted after 17th September 2004.

6.2 In case, the remaining service period of an employee is less than the above schedule of re-payment, the principal of conveyance advance and interest accrued thereon, will be recovered within the remaining service period.

- 6.3 In the event of an employee being discharged before the advance is completely recovered, the outstanding balance of the advance along with accrued interest shall be recovered in one lump sum.
- 6.4 The recovery towards conveyance advance shall be affected from the first salary bill of the employee after the advance is drawn.
- 6.5 Interest shall be calculated on balance outstanding on the last day of each month.

7. PROCEDURAL MODALITIES:

7.1 The process of disbursement of Conveyance Advance, for use by employees and HR-Loans & Advances/PCS users is as under:

- Application of Loan/Advance will be submitted by employee online in WEBICE.
- System checks the eligibility and guides the employee(s) about the list of documents required.
- Upon submission of application, the work flow is triggered to the Loans & Advances
- Section automatically.
- HR-Loans & Advances user receives a mail regarding the submission of application, which can also be viewed through a new loans report(s) in SAP.
- I/c Loans & Advances / Approving Authority shall approve / reject the application in WEBICE. Thereafter mail is received by employee about decision. On completion of the approval process in WEBICE, the creation of SAP records in IT-9442 (Conveyance Advance) / IT-9045 (HBA) / IT-9043 (Education Loan) will be updated automatically with all desired details by the system. With the introduction of the new process, the earlier practice of initiating workflow (zloansanction), seniority run (zhrcon) / hierarchy check will not be required to be done by Loans & Advances process users.
- Instalment release service / Utilisation service / Refund /Closure service has been made online for the first time in WEBICE. The request for all these services will be initiated by employee in WEBICE and approved/rejected by respective Loans & Advances / PCS users in WEBICE only. The direct entry in SAP will no longer be required. The payment entries in IT-0267(off-cycle) and IT-0045(loans) will automatically get created upon approval by PCS in WEBICE.

7.2 The HR Loans & Advances process users will issue Sanction Letter to the employee after the completion of approval process. Based on Sanction granted, the employee shall create a request for release of instalment in WEBICE. The submission of ORIGINAL documents by employees to Loans

and Advances Section for fulfilment of legal obligations, shall continue in physical records form as per guidelines. For existing loans where disbursement is pending, the data will be updated on to system to enable employees to apply for subsequent instalments and utilisation.

7.3 Detailed process documents / User manuals for submission of applications are available in "Help document" in WEBICE.

7.4 All employees are requested to submit their applications in "WEBICE" only, as per the above process.

8. **DETERMINATION OF PRIORITY:**

Priority of disbursement of conveyance advance for purchase of car will be in the order as shown under:-

a) E-4 and above level executives (1st advance); E-4 and above aged 53 years & applying for second advance.

b) E-1 to E-3 level executives.

c) Executives drawing second advance except executives of E-4 level & above aged 53 years and applying for second advance.

d) E-0 level executives and S- level employees eligible for car advance.

9. **AGREEMENT:**

At the time of drawing an advance, the employee shall be required to execute an agreement on Non-Judicial Stamp Paper of such value as may be necessitated by the provisions of Indian Stamp Act in order to render the document legally enforceable, in the format given at **Annexure-I**. This agreement bond format is standardized and duly vetted by the legal department as such Loan & Advance Section may accept the agreement bond instead of obtaining legal vetting in each case.

10. **HYPOTHECATION DEED:**

On completing the purchase, the employee shall be further required to execute a Hypothecation Deed on Non Judicial Stamp Paper of such value as may be necessitated by the provisions of Indian Stamp Act in order to render the document legally enforceable, in the format given at **Annexure-II**, hypothecating the vehicle to the company as security for the advance. The L&A Section shall arrange the non-judicial stamp paper(s) of required value for hypothecation deed. The cost of the vehicle shall be entered in the schedule of specifications attached to the hypothecation deed.

The employee shall be required to get the endorsement of hypothecation of vehicle in favour of company under the Section 31(a) of MV Act applying to the Regional Transport Authority on prescribed form duly countersigned by the Sanctioning Authority and by making payment of prescribed fee. The fee so paid shall be reimbursed on production of receipt of Registration Certificate Book.

11. CERTIFICATION OF PURCHASE:

An employee who takes an advance under these instructions shall, within one month after drawing the advance, furnish to the competent authority a certificate giving full particulars of the conveyance purchased with the advance and the cash receipt obtained for the amount actually paid for it.

12. INSURANCE:

12.1 Vehicle purchased with the help of Conveyance Advance shall be kept insured by taking an appropriate policy covering full loss by fire, theft or accident including third party liability for bodily injury and/or death. Such insurance shall be affected from the date of purchase of vehicle.

12.2 The amount insured should not be less than Insured Declared Value (IDV) prescribed under India Motor Tariff of Insurance Act, 1938. In case vehicle purchased through Conveyance Advance is totally damaged due to accident or lost by way of theft, the compensation received from insurance company in favour of ONGC would be initially remitted in Company's account and thereafter released to the concerned employee with instructions to purchase another similar vehicle whose cost should not be less than outstanding principal and to mortgage the same to ONGC. If the concerned employee does not want to purchase another vehicle, he/she shall refund the outstanding balance including interest in not more than three instalments.

12.3 The hypothecation of vehicle in favour of the company shall be noted in the records of the concerned insurance company also.

12.4 Vehicle insurance reimbursement charges will be reimbursed to eligible employees subject to a maximum ceiling of Rs. 25,000/- per annum.

13. REFUND OF AMOUNT NOT SPENT:

If the actual price paid for the purchase of the conveyance is less than the amount of the advance drawn, the employee shall forth-with refund the balance in a lump-sum.

14. REFUND ON FAILURE OF PURCHASE:

An employee who draws conveyance advance is expected to complete his negotiations for the purchase of the conveyance and pay finally therefore

within one month of the date on which he draws the advance; failing such completion and payment, the full amount of the advance drawn alongwith interest accrued thereon for one month, shall be refunded to the company, unless the period regarding purchase is extended by the competent authority at the request of the employee. The condition shall always be mentioned in sanction order.

15. PURCHASE OF VEHICLE WITHIN SIX MONTHS IN SPECIAL CIRCUMSTANCES:

Where an employee draws conveyance advance for purchase of a new car and he deposits the entire amount with the authorized dealer within 15 days, the time limit for purchase of a new car may be extended to the actual date of delivery or six months which-so-ever is earlier subject to:

- A. The actual interest earned on the amount of conveyance advance drawn from the company by depositing with the dealer will be passed on to ONGC.
- B. He will continue to pay normal interest on the conveyance advance as applicable to other cases during the said period.
- C. In case, the employee fails to get delivery of a new car within a period of six month, he will be liable to pay penal interest for the period beyond six months.

The above provisions will also be applicable for purchase of new scooter / motorcycle if there is a waiting period in the delivery of scooter / motorcycle.

16. PENAL INTEREST:

16.1 In case, an employee does not purchase the vehicle within one month from the date of drawal of the advance and fails to refund the total amount, the penal interest @ 18% (eighteen percent) over and above the applicable rate of interest, will be charged.

16.2 The extension of one month for purchase of vehicle may be considered in exceptional circumstances by the concerned Incharge, HR/ER.

17. INTEREST TO BE CHARGED FROM THE EMPLOYEES WHO MADE PART PAYMENT OF CONVEYANCE ADVANCE TO THE DEALER AND RECEIVE DELIVERY AFTER 4-6 MONTHS.

There may be some cases of conveyance advance where the executives availed conveyance advance for purchase of car, deposited a part payment towards booking amount with the dealer and retained the remaining amount till delivery of the car

In aforesaid cases, penal interest @ 18% per annum over and above the normal interest shall be imposed on the retained amount of conveyance

advance, after permissible period of one month till the date of payment to the dealer.

18. CERTIFICATE OF INCHARGE, LOAN & ADVANCES:

When conveyance advance is drawn, the Incharge, Loan & Advances shall record a certificate that the agreement in the prescribed form has been signed by the employee drawing the advance and that it has been examined and found to be in order. The Incharge, Loan & Advances shall ensure that the vehicle is purchased within one month from the date, on which the advance is drawn and shall send the mortgage deed to concerned finance for scrutiny before final record.

19. REPLACEMENT OF OLD HYPOTHECATED VEHICLE:

With availability of technologically developed vehicles and due to the stringent emission norms imposed by the Government, there may be some cases where the employees feel necessity to replace their old car before the outstanding advance is fully repaid. In such cases, permission for sell including no-objection for de-hypothecation of the existing vehicle for the purpose of acquiring another vehicle may be accorded subject to the following:

- A. The cost of vehicle proposed to be purchased should be more than the outstanding advance.
- B. The employee will have to submit an agreement bond for an amount equal to the outstanding advance.
- C. The cost of non-judicial stamp papers required for re-hypothecation of new vehicle in favour of the company shall be borne by the employee.

20. UTILIZATION OF SCOOTER / MOTORCYCLE ADVANCE FOR PURCHASE OF CAR:

20.1 The employees who are eligible for scooter / motorcycle advance may be permitted to utilize the scooter / motorcycle advance for purchase of car instead of scooter / motorcycle, if they so desire, subject to the following:

- A. The individual from his own resources shall arrange the difference of cost of car.
- B. CMRE and reimbursement of insurance charges shall be allowed at applicable rate for scooter/motorcycle.

20.2 Similarly, the employees who are eligible for Moped Advance may be allowed to purchase a scooter / motorcycle by paying the difference from their own pocket.

21. **CONVEYANCE ADVANCE FOR REPAYMENT OF BALANCE LOAN PAYABLE TO THE PREVIOUS EMPLOYER:**

The provisions stipulated in HBA scheme will be applicable for repayment of conveyance advance also.

22. **GRANT OF CONVEYANCE ADVANCE WHILE AN ADVANCE IS ALREADY OUTSTANDING:**

When an advance for the purchase of Scooter/Motorcycle is outstanding and the officer is entitled for car advance, the advance may be sanctioned only if the earlier advance along with interest is refunded or alternatively adjusted against the advance asked for the purchase of a car.

23. **INTERPRETATION:**

In case of any doubt regarding interpretation of any of the provisions of this scheme, the matter shall be referred to the Chief, Employee Relations at Headquarters, who shall decide the same.

Team – Corporate Policy

This document is for information purpose only.

For further clarity, Consolidated O.O. No. ONGC/ER/CP/ADV/004 may be referred to.

AGREEMENT BOND

AN AGREEMENT made on _____ between Shri/Mrs. _____
_____. Designation _____ (hereinafter called 'the Borrower' which
expression shall include his heirs, executors, administrators and legal representatives) of the one part and Oil
And Natural Gas Corporation Ltd. (hereinafter called the 'Corporation' having its registered office at Jeevan
Bharti, New Delhi, which expression shall include its successors and assigns) of the other part.

WHEREAS the Borrower has agreed to purchase a Scooter/Motor Vehicle (hereinafter referred to as
the 'said Scooter/Motor Vehicle') and whereas the Borrower has under the provisions of the Oil And Natural
Gas Corporation Ltd. Conveyance Advance Rules (hereinafter referred to as 'the said rules' which
expression shall include any amendments thereof for the time being in force) applied to the Corporation for
a loan of Rs. _____ only for the purchase of Scooter/Motor Vehicle and whereas the Corporation
has agreed to lend the said amount to the Borrower on the terms and conditions hereinafter contained.

NOW IT IS HEREBY AGREED between the parties hereto that in consideration of the sum of Rs.
_____ (Rupees _____) paid by the Corporation to the Borrower (the
receipt of which the Borrower hereby acknowledges) the Borrower hereby agrees with the Corporation (1)
to repay to the Corporation the said amount with interest calculated according to the said rules by monthly
deduction from his salary as provided by the said Rules and hereby authorizes the Corporation to make such
deduction and (2) within one month from the date of these presents to spend the full amount of the said loan
in the repayment of any loan obtained by him from any private party/bank for the purchase of the said
Scooter/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 Scooter/Motor Vehicle to the
Corporation as security for the amount lent to the Borrower as aforesaid and interest in the from provided by
the said rules and IT IS HEREBY LASTLY AGREED AND DECLARED THAT IF THE SCOOTER
/MOTOR VEHICLE HAS not been purchased and hypothecated as aforesaid within one month from the
date of these presents or if the borrower fails to repay the amount of the loan obtained by him from any
private party/bank for the express purpose of purchasing the said Scooter/Motor Vehicle within one month
from the date 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 interest accrued thereon shall immediately become
due and payable. It is further agreed that in case the Borrower fails to purchase the vehicle within one month
from the date of drawl of the advance, the amount of advance shall be refunded to the Corporation and the
rate of interest shall be charges at the rate of 18% over and above the normal rate of interest in such advance.

IN WITNESS whereof the Borrower and _____
Designation _____ Mumbai Regional Business Centre for and on behalf of the Corporation
have signed this agreement on the dates respectively mentioned against their signatures.

Signed by the said Borrower in the presence of:

1st witness:

Signature:

Name:

Designation:

CPF No.

(Signature of the Borrower)

Designation:

Date:

2nd witness:

Signature:

Name:

Designation:

CPF No.

Accepted for and on behalf of the Oil and Natural Gas Corporation Ltd. In the presence of:

1st witness:

Signature:

Name:

Designation:

CPF No.

(Signature of the Officer)

Name & Designation with seal

2nd witness:

Signature:

Name:

Designation:

CPF No.

HYPOTHECATION DEED

THIS INDENTURE MADE this _____ between Shri _____
_____ (hereinafter called 'the Borrower' which expression shall include his heirs, administrators, executors and legal representatives of the one part and the Oil And Natural Gas Corporation Ltd. (hereinafter called the Corporation which expression shall include his successors and assignees of the Other Part.)

WHEREAS the Borrower has applied for and has been granted an advance of Rs. _____ (Rupees _____) to purchase Car/Scooter in terms of the Corporation's Conveyance Advance Rules, hereinafter referred to as 'the said Rules' which expression shall include any amendment thereof or addition thereto 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 Borrower will/would hypothecate the said Car/Scooter Vehicle to the Corporation as security for the amount lent to the Borrower and WHEREAS the Borrower has purchased with or partly with the amount so advanced as aforesaid the Car/Scooter Vehicle particulars whereof are set out in the Schedule hereunder written.

NOW THIS INDENTURE WITNESSETH THAT in pursuance of the said agreement and for the consideration aforesaid the borrower doth hereby covenant to pay to the Corporation the sum of Rs. _____ (Rupees _____) only aforesaid or the balance thereof remaining unpaid at the date of these presents by equal payment of Rs. _____ (Rupees _____) each in _____ installments followed by another installment of Rs. _____ on the first day 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 the Borrower doth agree that such payments may be recovered by monthly deductions from his 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 said Car/Scooter Vehicle the particulars whereof are set out in 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 declares that he has paid in full the purchase price of the said Car/Scooter Vehicle and that the same is his absolute property and that he has not pledged and so long as any money remains payable to the Corporation in respect of the said advance will not sell, pledge or part with the property in or possession of the said Car/Scooter Vehicle, provided always and it is hereby agreed and declared that if any of the said installments or 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 ceased to be in the Corporation's service or if the borrower shall sell or pledge or part with the property in or possession of the said Car/Scooter 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 or judgment against the Borrower the whole of the said Principal sum which shall then be remaining due and unpaid together with 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 hereinafter mentioned seize and

take possession of the said Car/Scooter vehicle and either remain in possession thereof without removing the same or else may remove and sell the Car/Scooter 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 payment properly incurred or made in maintaining, defending or realizing his 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 Car/Scooter Vehicle shall not prejudice the right of the Corporation to sue the Borrower or his personal representative for the said balance remain due and interest or in the case of the said Car/Scooter 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, the Borrower will insure and keep insured the said Car/Scooter Vehicle against loss or damage by fire, theft or accident with an Insurance Company to be approved by the General Manager (Finance & Accounts), Oil And Natural Gas Corporation Ltd., and will produce evidence to the satisfaction of the General Manager (Finance & Accounts), Oil & Natural Gas Corporation Ltd., that the _____ Insurance Company with whom the said Car/Scooter 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 Car/Scooter Vehicle to be destroyed or injured or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof and further that in event of any damage or accident happening to the said Scooter/Car Vehicle the Borrower will forthwith have the same repaired and made good.

THE SCHEDULE

Description of Scooter/Car Vehicle	:	_____
Maker's Name	:	_____
Description year of Manufacture	:	_____
No. of Cylinders	:	_____
Engine No.	:	_____
Chassis No.	:	_____
Cost Price	:	_____
Registration No.	:	_____

In witness whereof the said Shri/Smt. _____ (Borrower) and Shri _____ for and on behalf of the Corporation have hereunto set their respective hands on the date respectively mentioned against their signatures.

Signed by the said Borrower in the presence of :

1st witness

Signature:	(Signature of the Borrower)
Name:	Designation:
Designation:	Date:
CPF No.	

2nd witness

Signature:
Name:
Designation:
CPF No.

Accepted for and on behalf of the Oil And Natural Gas Corporation Ltd. In the presence of:

1st witness

Signature:	(Signature of the officer)
Name:	Name & Designation with seal
Designation:	CPF No.

2nd witness

Signature:
Name:
Designation: CPF No.