

GOVERNMENT OF ASSAM
FINANCE (AUDIT & FUND) DEPARTMENT
JANATA BHAWAN, DISPUR, GUWAHATI-6

ECF: 306645/111

OFFICE MEMORANDUM

Subject: Apun Bahan Scheme for purchase of Motor Vehicle for permanent State Government employees.

With the objective of fulfilling the dreams of permanent State Government employees of Assam of owning a Motor Vehicle for herself/himself, the Governor of Assam is pleased to formulate the following procedures and guidelines in connection with purchasing of Motor Vehicle:

1. **"APUN BAHAN"**: To provide financial relief to the permanent State Government employees and to ease the access to Motor Vehicle loans for the purchase of a Motor Vehicle for the family. The Government of Assam shall provide Interest Subvention against the Motor Vehicle Loan from Scheduled Commercial Banks, Regional Rural Banks and the Assam Cooperative Apex Bank, notified & recognized by the Reserve Bank of India.
2. **Interest Subvention**: The Government of Assam will provide Interest Subvention for the purchase of motor vehicles by permanent State Government employees. Male employees to get 2% interest subsidy for purchasing diesel/petrol vehicles and 3% subsidy for electric vehicles, while woman & divyangan (differently abled) employees will get 3% interest subsidy for purchasing any kind of vehicle.
3. **Application process**: Application forms will be submitted by employees through their DDOs with complete set of documents as per check list and application format provided by eligible Banks. The format so customized shall contain a due and drawal statement of salary of the Government employee (applicant) which will be duly filled and certified in the form itself by the DDO concerned. Due diligence and scrutiny required will be done by the concerned Bank and the Bank team will accord final sanction based on the proposal.
4. **Mode of Subsidy Disbursement**: The subsidy amount will be released by crediting it to the Salary Accounts of the employees.
5. **Eligible Vehicles**: The auto loans will be granted for the purchase of new two- wheelers or four-wheelers. Three wheeler vehicles will not be covered under the scheme.
6. **Loan Type**: The loans will be sanctioned by the bank as term loans.
7. **Eligibility Criteria**: The scheme is applicable to regular State Government employees between the ages of 21 and 53 years, ensuring that the maximum tenure of 7 years for the loan falls within the service period of the employee.
8. **Maximum Loan Amount**: The maximum loan amount will be either 48 times the net monthly income or ₹ 15 lakh, whichever is lower.
9. **Income Criteria**: The net annual income (gross monthly income - all Statutory deductions) of the employee and/or the Co-applicant (if any) should be ₹ 3,00,000/- and above. Co-applicants can be the spouse, father, mother, brother, sister, son or daughter with valid income proof.
10. **Loan Financing**: The bank will finance 85% to 90% of the on - road price of the vehicle or 48 times the net income, whichever is lower.

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- 11. Repayment Period:** The repayment of the Auto Loan will be for a period of minimum 3 years and maximum of 7 years. The repayment will be fixed based on Equated Monthly Installments (EMI) with Check-off facility/Post Dated Cheques (PDC)/Electronic Clearing Service (ECS).
- 12. NPA:** Recovery in case of NPA shall be made against irrecoverable authority letter collected by the concerned DDOs from the beneficiaries/employees for making payment towards NPA accounts out of any amount payable to the beneficiaries/employees e.g. terminal benefits in case of his/her retirement, resignation and discontinuance of service or death.
- 13. Vehicle Registration:** The vehicle's registration should be done with the bank's hypothecation Charge duly noted and a copy of the Registration Certificate should be submitted to the branch for record-keeping.
- 14. Insurance Requirement:** Comprehensive insurance covering all risks should be obtained before taking delivery of the vehicle, with the banks' charge duly noted. The bank's copy of the insurance policy should be submitted to the branch for record-keeping.
- 15. Limitation:**
1. The vehicles purchased should be registered in the name of the employee, and cannot be used for commercial purposes. If found, the employee would be liable for Departmental Disciplinary Action.
 2. The scheme shall be limited to purchase of only one vehicle per employee.
 3. Self-declaration by the employee that no other vehicle under the scheme has been purchased by him.
- 16. Audit:**
1. The books of account of every Bank that has granted the subsidy under this scheme, (including the books of accounts maintained at the branches) shall be subject to an audit in accordance with the procedure that may be prescribed subsequently.
 2. The audit may be conducted by concurrent auditors, statutory auditors or special auditors. The state Government, if it deems necessary, may direct a special audit in respect of any Bank.
- 17. Utilization Certificate:** Utilization Certificate under the Scheme shall be furnished by the concerned banks along with the statement of accounts to SLBC, Assam. The Convener SLBC, Assam will finally submit the statement /utilization certificate to the Finance Department. Further, concerned Banks shall verify and give detailed statements of beneficiaries along with amounts disbursed etc. monthly.
- 18. Interpretation and power to remove difficulties:**
1. If any doubt arises on the interpretation of any paragraph of this scheme or any instruction issued there under, Finance Department, Government of Assam will resolve the doubt.
 2. If any difficulty arises in giving effect to the provisions of the scheme or any instruction issued there under, Finance Department, Government of Assam will take suitable measures to remove the difficulty.
- 19. Monitoring:** There will be a State Level Monitoring Committee comprising of the following members to monitor the implementation of the scheme -
- a. Senior Most Secretary, Finance Department (Chairman)
 - b. Commissioner & Secretary, Finance Department (Member)
 - c. Secretary, Finance (A&F) Department (Member)
 - d. Director, Institutional Finance (Member)