

4. An application for loan must be considered primarily on the basis of the repaying capacity of the applicant. This calls for a close scrutiny of his financial position.

5. No loan should be sanctioned relying on the anticipated income, as it has been observed that anticipation's do not materialise in many cases.

6. The responsibility of the Officer sanctioning the loan does not end with its sanction after satisfying the fulfillment of the above conditions. He has also to watch the prompt repayment of the loans. This has to be ensured by a periodical review of all outstanding loans and by taking suitable action promptly where necessary, for ensuring punctual repayments.

7. It would be necessary to obtain information periodically regarding the financial position of a loanee so long as the loan granted to him is not repaid fully. For this purpose, a clause should be inserted in all loan agreements vesting in Government, the power to call for the accounts of any year of the loanee at any time and to depute on their behalf an officer to inspect the books of accounts of the applicant, if necessary.

8. Loans should not ordinarily be sanctioned at concessional rates of interest. If any concession is considered necessary as in the case of loans granted in scarcity conditions, it should be in the form of subsidy after the loan is fully repaid.

### **CHAPTER XIII**

#### **ADVANCES**

#### **SANCTION**

206. Rules regulating the grant of advances to Government servants and others are laid down, in the following Articles. Government may sanction special advances for other purposes also and when Government grant a special advance, they specify in their order the conditions subject to which it is granted.

206-A. Permanent officers of the Central and other State Governments, while on deputation for service under the Karnataka State Government, are also eligible for the grant of the following types of advances under this Chapter ;

- (1) Advances for the purchase of Motor Cars or Motor cycles;
- (2) Advances for the purchase of bicycles;
- (3) Advances on transfer; and
- (4) Advances for journey on tour.

207. The rules relating to advances to Government servants do not apply to Government servants who are not in permanent Government employ. Temporary Government servants may be allowed these advances, Subject to such conditions as may be prescribed towards security, etc., in the rules relating to them.

Note.- In case, however, of Non-Gazetted Government servants, as the advance is to be drawn in pay bill form, the words. "Payees Receipt" wherever it occurs in this Article may be read, as " Pay Bill Form "

### **<sup>1</sup>[MOTOR CONVEYANCE ADVANCES]**

#### **PURPOSE FOR WHICH ADVANCE MAY BE GRANTED**

218. An advance may be granted under these rules for the following purposes:

(a) Purchase of a Motor Car,

or

(b) Purchase of a Motor Cycle.

#### **ELIGIBILITY**

219. Advances under these rules may be granted to the following categories of Government Servants;

(a) Permanent Government servants;

(b) Karnataka Government Servants not falling in category (a) provided the sanctioning authority is satisfied that they are likely to continue in the service of the Karnataka Government till the advance sanctioned is fully repaid.

Note 1.- Officers of the I.C.S., I.A.S., or I.P.S. Cadre who are permanently allotted to the Karnataka State are also eligible for the grant of advances under these rules.

<sup>1</sup>[Note 2.- The Judges of the High Court of Karnataka are also eligible for the grant of advances under these rules. Government shall be competent Authority to sanction the advance.]

An advance for the purpose of motor car will be given only when " the Heads of Departments"/Government consider that it is in the interest of the public service that the Government servant uses it in the discharge of his duties.

<sup>2</sup>[A State Civil Service Officer drawing pay in the scale of pay applicable to KAS (Group 'A' Senior Scale Post) /an IAS Officer of the Karnataka Cadre drawing pay in the Senior Scale and other Government servants drawing a pay of Rs 3500/- per month and above, shall be eligible for an advance for the purchase of a Motor Car. A Government servant including an officer of the all India Services borne permanently on the State cadres of the IAS/IPS/IFS drawing Rs 3,500/- or more per month and executive subordinate who need a motorcycle for the discharge of their executive duties may be granted advance for purchase of motorcycle / scooter.]

219-A. Advances to Government servants in foreign employ should be granted from the funds of the foreign employer, and when the latter desire to make such an advance he should apply to the Appropriate Authority for the necessary sanction. If the sanction is accorded, it will be subject to the proviso that the advance by the foreign employer shall be regulated by the same conditions as would apply if the Government servant were serving directly under Government. In special cases,

however, where a Government servant's services have been lent to Local and other bodies under the control of Government, whose rules do not permit the grant of motor car or motor cycle advance or whose financial position will not permit the same, the advances may under special orders of the Appropriate Authority be met from the Government Funds.

Note.- This does not apply to Government servants transferred to the Government of India or other States in respect of which reciprocal arrangements for the grant of advances by the foreign employer exist.

#### **AMOUNT OF ADVANCE**

220. (a) <sup>1</sup>[(i).- In the case of purchase of a Motor Car, an advance equal to 35 months pay or Rs.1,20,000 or the price of the car to be purchased whichever is least may be sanctioned as first advance, and Rs 1,20,000 less the profit earned on the sale of the previous vehicle purchased with a Government loan (i.e., the excess of the sale proceeds over the price paid at the time of purchase) or 35 months pay or the price of the car to be purchased whichever is least may be sanctioned as subsequent advances'.

(ii) An advance equal to 12 months pay subject to a maximum limit of Rs 20,000/- for purchase of a new or used vehicle may be granted for purchase of Motorcycle /Scooter.]

In both these cases, the total amount to be advanced will not exceed the anticipated price of the car or motor-cycle. If the actual price paid is less than the advance taken, the balance must be forthwith refunded to Government.

Note 1.- The term 'Pay' means the substantive pay of the Government servant. It also includes officiating pay (excepting officiating pay drawn in a leave vacancy). Advance may however, be reckoned on the basis of the pay, drawn by a Government servant holding post on a non-substantive tenure provided the head of the department certifies that there is no likelihood of the Government servant reverting from a non-substantive appointment. Special pay (duty allowance) and <sup>1</sup>[xx] if any, may also be taken into account as pay for the purpose of fixing the amount of the advance.

Note 2.- The expression 'actual price' occurring in line 3 of para 2 of this Article may include the price of essential accessories to be purchased along with the Motor Car/Motor Cycle, e.g., Spare Wheel, Tyre and a tube, pillion seat in a scooter. It does not include, the cost of non-essential accessories like radio in a car, plastic covers, etc., which the customer purchases of his own volition. Insurance and Registration charges which are incurred for running the motor car/motor cycle are not also included in the 'actual price' of the vehicle.

Note 3.- The expression 'actual price' mentioned in this Article would cover in the case of first purchase, the following items.

(i) The cost of transportation of the conveyance up to the place of duty of the Government servant concerned at the time of purchase irrespective of whether the transport is arranged by the distributors or by the officer himself,

(ii) The <sup>2</sup>[Sales Tax] actually paid.

(b) Advances under these rules may be given as often as necessary in the Public interest. A Government servant who has taken an advance will, however, not be entitled for a fresh advance before the previous advance and interest due thereon is fully repaid. In the case of second and subsequent advances, there should be ordinarily an interval of at least <sup>1</sup>[four years] between the previous advance and subsequent advance. Government may relax this limit in special cases.

Note.- The advance is not admissible to a Government servant who has a service of 18 months prior to the date of his retirement. The advance sanctioned to a Government servant can be availed of only if he can purchase the vehicle and complete the transaction 12 months prior to the date of his retirement.

<sup>2</sup>[(c) (1) Maximum amount admissible for a second and subsequent advance shall be 16 months' pay limited to a sum of Rs. 16,000 (Rupees Sixteen thousand only) for the purchase of a Motor Car and Rs.2,500 (Rupees Two thousand and five hundred only) for the purchase of a Motor Cycle/Scooter respectively. It is further limited to the differences, between the cost of the vehicle to be purchased and the sale proceeds of the vehicle purchased out of the previous advance left over after its repayment with interest thereof.

(2) These orders shall not apply to cases where the previous advance with interest has been fully repaid. In such cases, the second and subsequent advance limited to Rs. 16,000 (Rupees Sixteen thousand only) for the purchase of Motor Car and Rs.2,500 (Rupees Two thousand and five hundred only) for the purchase of a Motor Cycle/Scooter, can be drawn in full, irrespective of the amount, the Government servant gets on the sale of his/her old vehicle after repayment of the previous advance, with interest thereof.

<sup>1</sup>[221 xxx  
221-A xxx]

### **REPAYMENT**

222. (a) The advance granted to a Government servant under these rules, together with the interest thereon, shall be repaid in monthly instalments within eight years. Recovery will commence with the first issue of pay after the advance is drawn. Recovery will be made by deduction in monthly instalments as prescribed by the rules or as may be fixed by Government from time to time, from the pay or salary bill of the Government servant concerned, the deduction being made by the head of the office or the Accounts Officer concerned as the case may be. The recovery of interest will commence from the month following that in which the repayment of the principal has been completed. In the case of motor car advance, the principal is recoverable in not more than 84 instalments and the interest in not more than 12 instalments thereafter, and in the case of motor cycle advance, however, the principal is recoverable in not more than 66 monthly instalments and the interest in not more than 6 monthly instalments. thereafter, the amount of

instalment of interest, in either case, being not appreciably greater than the amount of instalments towards principal.

(b) The actual number of instalments in which the principal has to be recovered and the amount thereof and the number of instalments in which the interest has to be recovered will be determined by the appropriate authority and incorporated in the order sanctioning the advance. It is the responsibility of the grantee to ascertain from the Accountant General about the interest due on the advance and to pay it in the number of instalments prescribed.

In the case of non-gazetted Government servants, the responsibility for calculation of interest and its recovery rests with the Head of office, who draws and disburses their pay and allowances.

Note 1.- The amount of the advance to be recovered monthly should be fixed in whole rupees, except in the case of the last instalment when the remaining balance including any fraction of a rupee should be recovered.

Note 2.- In order to avoid undue hardship to a Government servant who is due to retire within (eight) years of the date of application for the grant of motor car advance, the sanctioning authority may permit him to repay the advance with interest in convenient monthly instalments the amount of which shall not be less than the amount of monthly instalment on the basis of repayment within a period of eight years during the remaining period of his service, provided he agrees to the incorporation of a suitable clause in the prescribed Agreement and Mortgage Deed to the effect that the Government shall be entitled to recover the balance of the said advance with interest remaining unpaid at the time of retirement. <sup>1</sup>[xx]

(a) from out of insurance amount in the Official Branch of the Karnataka Government Insurance Department.

“(aa) From out of the insurance amount due on policy or policies assigned in favour of Government at the time of grant of advance when the policy or policies so assigned are taken out in a Company/Companies other than the Karnataka Government Insurance Department. The surrender value of the Policy/Policies so assigned to Government shall not be less than the balance of the advance that would be outstanding on the date of retirement of the Government Servant on Superannuation.”

<sup>1</sup>[Note 3.- In the event of death of a Government servant in service before repayment in full of the principal of Motor Car/ Motor Cycle/scooter purchase Advance drawn by him/her and/ or interest due thereon, the entire interest including penal interest in cases where recovery of interest has not commenced or the balance amount of unrecovered interest including penal interest in cases where interest has partially been recovered upto the date of death shall be waived by the authority, which sanctioned the advance.] <sup>2</sup>[This provision is deemed to have come into effect from 7-5-1977.]

Note 4.- The period of recovery of the advance drawn together with the interest thereon in respect of the State Government servants who have been appointed to A.I.S. cadres shall be extended to the age of their superannuation namely 58 years and the instalments of recovery already fixed shall be revised after

obtaining a deed of rectification from them in the annexed form " Deed of Rectification" subject to the maximum period/ monthly instalments prescribed ibid.

(b) Deleted.

<sup>3</sup>[Note 5.- The recovery of instalments in respect of advances sanctioned to the judges of the High Court of Karnataka shall be so fixed that the advance sanctioned together with interest thereon is recoverable in full before the retirement of the judges.]

<sup>2</sup>[Note 6.- The Heads of Departments may refund the excess amount recovered towards HMA including interest on the basis of intimation by the Accountant General"

Exception : The Accountant General may refund the excess amount recovered towards conveyance purchase advances and interest thereon in respect of Gazetted Officers whose pay and allowances are authorised by him and in whose cases detailed accounts are kept by him, under intimation to the Head of the Department].

### ANNEXURE

#### DEED OF RECTIFICATION

This Deed is made on the..... day of .....Between.....(hereinafter called " the Mortgage") of the one part and ..... (hereinafter called the "Mortgage") of the other part.

Whereas by a deed of Mortgage dated the ..... the said..... mortgaged in favour of the Government of Karnataka the property (describe the property) and the said deed has been registered at.....  
.....I..... Registration Office in Book No..... Volume No.....Pages..... to ..... being serial No. .... for the year.....

(hereinafter called "the principal deed") And Whereas the principal deed requires rectification in the manner hereinafter appearing Now This Deed witnesseth the principal deed shall be rectified and corrected in the following manner, namely.-

In page..... line ..... of the principal deed for the words " " insert the words "..... "

That as rectified and modified as aforesaid the principal deed shall remain in full force an effect.

In Witness whereof, the said..... has hereto signed (or put his signature, or set his hand) at ..... the day and year first abovewritten.

Witness:

Signature

### **SECURITY**

223. (a) in order to secure Government from loss, the conveyances purchased will have to be mortgaged to Government, and the mortgage will be released on liquidation of the full amount of advance together with interest thereon.

Note 1.- The mortgage bond will in Form No.43.

Note 2.- Mortgage deeds, agreements and surety bonds executed by the State Government servants in favour of the State Government are exempt from payment of stamp duty.

Note 3.- The appropriate authority when the advance is sanctioned by Government and the sanctioning authority in other cases (hereinafter called the "Appropriate Authority") is competent to sign the Agreement, the mortgage deed, etc., on behalf of the Governor of Karnataka.

Note 4.- When the applicant for the advance happens to be the Head of the Department himself, the agreement, the mortgage deed, etc., will be signed on behalf of the Governor of Karnataka by the appropriate authority.

Note 5.- The Agreements and Mortgage Deeds should be produced for scrutiny during the Local Audit of the office of the appropriate authority.

(b) In addition to the above, the applicant must cover the vehicle with a comprehensive risk policy with the Karnataka Government Insurance Department.

Note.- In case the vehicle is not eligible for comprehensive cover on account of its age it should be insured against fire and theft risk in addition to third party insurance.

(c) Such insurance should be effected from the date of purchase of the conveyance and the fact intimated to the Appropriate Authority, who will obtain from the Government servant drawing the advance, a letter (in the form hereinafter prescribed) addressed to the Insurance Department with which the vehicle is insured to notify the fact that Government is interested in the insurance policy secured. He will then forward the letter to the department and obtain acknowledgement. In the case of insurance effected on annual basis, the process should be repeated every year until the advance is fully repaid to Government.

(2) The Appropriate Authority should furnish to the Accountant General a certificate to the effect that borrower has comprehensively insured the vehicle with the Karnataka Government Insurance Department for an amount not less than the outstanding amount of advance together with interest accrued thereon, and that the insurance company has been notified about the Interest of Government in the policy. In case of Insurance effected on annual basis, this procedure should be repeated every year until the advance has been fully repaid to Government.

Note 1.- In case the vehicle purchased by the Government servant is a second hand one and it has already a comprehensive risk insurance cover which is

still in force, the Government servant shall re-insure the vehicle with the Karnataka Government Insurance Department from the date of expiry of that policy. In such a case the provisions of the above clause shall be followed at the time of such re-insurance. The interest of Government in the vehicle should however be got noted in the old policy immediately on purchase, by addressing the insurer (including in that term a private Insurance Company), through the Appropriate Authority. If the vehicle has not been insured for comprehensive risk, at the time of purchase, the Government servant should insure the vehicle in the Karnataka Government Insurance Department according to the above clause.

Note 2.- When re-insurance of the vehicle falls due, if the Government servant is working outside the State either on transfer or on deputation, the same may be effected with any local insurer of repute subject to the interest of Government in the vehicle being got noted therein through the Appropriate Authority.

(3) Where the Insurance Department does not issue a fresh policy every year and the original one in which a clause that the Government is interested in the insurance policy secured, already stands inserted as renewed, it is not necessary to repeat the above procedure. The appropriate authority should, however, ensure that the original policy has been renewed by the Insurance Department and the relevant clause regarding the interest of Government in the policy already stands included in the original policy and that Government servant has insured the vehicle without break in the period of insurance in the Insurance Department for an amount not less than the outstanding amount of advance Plus interest thereon compulsorily until the advance is fully repaid to Government. A certificate to this effect has to be sent to the Accountant General thereafter.

(d) Contravention of these rules will render the Government servant liable to refund the whole of advance drawn with interest accrued thereon unless satisfactory reason is shown to the contrary. If satisfactory reasons are furnished to the authority sanctioning the advance for the non-compliance of the conditions on which the advance was sanctioned, that authority may order that the entire advance is not refundable upto the date of compliance. However, such penal Interest may not be enforced if the non-compliance is due to the circumstances beyond the control of the Government Servant. The amount for which the conveyance is insured during any period should not be less than the outstanding balance of the advance with Interest accrued at the beginning of that period and the insurance should be renewed from time to time until the amount so due is completely repaid. If at any time and for any reason, the amount insured under a current policy is less than the outstanding balance of the advance, including interest already accrued, the Government servant should refund the difference to Government. The amount to be refunded must be recovered in not more than three monthly instalments.

**FORM OF LETTER INTIMATING THE SECRETARY, KARNATAKA GOVERNMENT  
INSURANCE DEPARTMENT GOVERNMENT'S INTERESTS IN INSURANCE  
POLICIES OF MOTOR CARS. ETC.**

From



.....

To

.....

Through the Accountant General.

Dear Sir,

I am to inform that the Governor of Karnataka is interested in Motor Car/Cycle insurance policy..... secured in your Company and to request that you will kindly insert a clause to the following effect in the policy.

Form of clause to be inserted in the insurance policy

1. It is hereby declared and agreed that Mr.....(the owner of the Motor Car/Cycle hereinafter referred to as the insured in the Schedule to this policy) has hypothecated the Car/ Motor Cycle to the Governor of Karnataka (hereinafter called the Governor) as security for an advance for the purchase of the Motor Car/Cycle and it is further declared and agreed that the Governor is interested in any monies which but for this endorsement would be payable to the said Mr..... (the Insured under this policy) in respect of the loss or damage to the said the Motor Car/Cycle which loss or damage is not made good by repair, reinstatement or replacement) and such monies shall be paid to the Governor as long as he is the mortgagee of the Motor Car/Cycle and his receipt shall be full and final discharge to the Company in respect of such loss or damage.

2. Save as by this endorsement expressly agreed nothing herein shall modify or affect the rights or liabilities of the insured or the Company respectively under or in connection with this policy or any term, provision or condition thereof.

Yours faithfully,

224. The motor car or motor cycle shall not be sold before the advance with interest has been fully repaid. In case the vehicle is to be sold before the advance together with interest is fully repaid, then the previous permission of the appropriate authority sanctioning the advance should be obtained. In case such sale is permitted, the sale proceeds must be applied, so far as may be necessary towards the repayment of outstanding balance, provided that when the car or motor cycle is sold only, in order that another car or motor cycle may be purchased, Government or the appropriate authority may permit the Government servant to apply the sale proceeds towards such purchase, subject to the following conditions.

(1) The amount outstanding shall not be permitted to exceed the cost of the new car or motor cycle.

(2) The amount outstanding shall continue to be repaid at the rate previously fixed: and

(3) The new car or motor cycle shall be purchased within a period of one month from the date of sale of the vehicle and the new vehicle shall be insured and

mortgaged to Government within that period; failing such completion within the said period the outstanding advance with Interest thereon shall forthwith be refunded to Government.

Note.- The mortgage bond will be in Form No. K.F.C. 43-A.

### **PROCEDURE**

225. (a) Application for advance should be made in Form No.44. Heads of Departments can sanction Motor Car/Cycle Advances in the case of both Gazetted and Non-Gazetted Officers except to themselves. In their cases, the said advances will be sanctioned by Government in the Finance Department. Application for second advances should be sent through the Accountant General, who will forward them to the Heads of Departments with a certificate that the previous advance has been fully adjusted. The Heads of the Departments or the Finance Department of Government as the case may be, will sanction an advance subject to availability of funds.

(b) On the advance being sanctioned a copy of the order will be communicated to the Accountant General Karnataka, the Departmental officer and the applicant.

(c) All payments on account of advances sanctioned by the Appropriate Authority under normal rules for the purchase of motor conveyances to Gazetted and non-gazetted officers will be made by the Treasury Officer after receipt of a copy of the sanction order endorsed to him and on bills accompanied by the certificates referred to in clause (e) of this Article.

Note 1.- In respect of officers paid under the I.R.L.A. System, the payees receipt should be sent to the IRLA Section of the Audit Office instead of to the Treasury.

Note 2.- The order sanctioning the advance should be sent to the Audit Office and a copy shall be endorsed to the Treasury or the IRLA Section of the Audit Office. The other provisions relating to furnishing of the stamped receipt on completing the purchase of the vehicle, information on hypothecating the vehicle and the insurance of the vehicle will continue to be sent to the Audit Office as required under sub-para 2 and 3 of clause (e) of Article 223 and 225 (e) of this Code.

Note 3.- Officers drawing the advance and the concerned Heads of Departments are responsible for the correct drawal of advances after ensuring that all conditions prescribed in this Code regarding the drawal of such claims are satisfied.

Note 4.- In respect of Officers/Officials who are in foreign service and who have been sanctioned conveyance advances under special orders of Government as per Articles 219-A ibid, specific authorisation from the Accountant General is necessary.

(d) A Government servant to whom an advance is sanctioned for the purchase of a motor car/cycle is expected to complete his negotiations for the purchase and to pay finally for the motor car/cycle within one month from the date on which he draws the advance: failing such completion and payment, the full amount of the advance drawn with interest thereon for one month must be forthwith refunded to Government. At the time of drawing the advance, the Government servant will be

required to execute an agreement in Form No.45 and on completing the purchase, he will further be required to execute a mortgage bond in form No.43 hypothecating the motor car/ cycle to the Government of Karnataka as security for the advance. The agreement and the mortgage bond will be got executed by the Appropriate Authority.

Note.- Government servants should draw the advances sanctioned to them only after they have received a written assurance from the dealers that the supply is likely to be made within one month. A certificate to this effect in the form mentioned below should be recorded on the bill for drawal of the advance. In the event of delay in supplying the Vehicle despite the written assurance from the dealer, the Government servants should apply for extension of the time limit within the permissible period of one month and seek permission for retaining the advance for a further period which should be specified. Each such request should be supported by a letter from the dealer, indicating the likely period of supply and such request will be considered on merits.

"I have obtained a written assurance from the dealer that the supply is likely to be made within a month. Copy of the letter from the dealer in this regard is attached to the Bill".

(e) Advances sanctioned will be passed for payment by the Treasury Officers on presentation of payees receipts containing a certificate from the appropriate authority concerned to the effect that the necessary agreement has been executed. The appropriate authority should also see that the Motor Car/Motor Cycle is purchased within one month from the date on which the advance is drawn and he should get the mortgage bond executed within this period, and he should furnish <sup>1</sup>[in respect of Class A and Class B officers only]. to the Accountant General a certificate with a copy to the Secretary, Karnataka Government Insurance Department to the effect that the borrower has purchased the vehicle in time and executed the mortgage deed hypothecating the vehicle to Government for the loan.

<sup>1</sup>[Note.- Utilisation certificates in respect MCA sanctioned to Class C and D officials need not be transmitted to the Accountant General. but file in the offices of the Heads of Departments who maintain the detailed accounts of the advance and made available during the local audit conducted by the Accountant General.]

(f) A certificate has to be furnished by the Government servant drawing the advance in the first salary bill after one month from the date of drawing the advance to the effect that the firm's receipt in respect of the purchase of the motor car/cycle has been sent to the Audit office.

(g) The agreements and mortgage bonds should be kept in safe custody by the Appropriate Authority. When the advance has been fully repaid, the bond should be returned to the Government servant concerned, duly cancelled, after obtaining a certificate from the Accountant General to the effect that the advance together with the interest thereon has been completely repaid.

Note 1.- When second hand cars or motor-cycles are purchased out of advances granted by Government, receipts from more than one firm or individual,

evidencing the fact of purchase and making the vehicle road worthy may be admitted in audit as satisfactory proof that the amount drawn as motor conveyance advance has been correctly utilised.

<sup>1</sup>[Note 2.- The Head of the Department, when the advance is sanctioned by Government and the sanctioning, authority in other cases (hereinafter called the "Appropriate Authority") is competent to keep the Agreement and mortgage bonds in safe custody on behalf of the Governor of Karnataka.]

(h) A Government servant, who purchases a motor car or motor cycle after he applies for a Government advance and arranges to pay for it by raising a temporary loan, may also be permitted to draw the advance subject to the other conditions being satisfied.

Note.- In case, however, of non-Gazetted Government servants, as the advance is to be drawn in pay bill form the words "Payees Receipt wherever it occurs in this Article may be read as "Pay bill Form".

## **<sup>2</sup>[225-A. ADVANCE FOR PURCHASE OF MOPEDS / CYCLE FITTED WITH POWER PACKS**

Government servants drawing a basic pay of Rs 1,500 or more per month are eligible to purchase new or used mopeds/ cycles fitted with power packs and they would be eligible for an advance for this purpose subject to the following condition;

(i) The advance would be limited to an amount equal to 8 months basic pay or Rs, 7,500 whichever is less.

(ii) The recovery of principal amount shall be in not more than 50 months and interest in 10 months.

(iii) such other conditions are as applicable for grant of MCA under this code are also applicable.

## **225-B. MOTOR VEHICLE REPAIR ADVANCE**

Government servants owning Motor Cars may be sanctioned an advance known as 'Motor Car Repair Advance' not exceeding Rs 5,000/- (Rs Five thousand only) at a time subject to the following conditions:

(i) Motor Car Repair Advance is admissible twice in the entire service with an interval of atleast three years between the first/second or subsequent advances and the Motor Car Repair Advance.

(ii) The need and extent of repairs should be certified by the RTO concerned.

(iii) The amount of advance is limited to actual expenditure incurred as per vouchers produced from reputed dealers and service agencies.

(iv) The application for Motor Car Repair Advance must be accompanied by a clearance certificate, issued by the Accountant General, Karnataka, Bangalore in respect of advance previously drawn.