From

Chief Engineer/Admn.,
HPGCL, Panchkula.

Tc

1. All Chief Engineers in HPGCL.
2. COF/COA, HPGCL, Panchkula.
3. Company Secretary, HPGCL, Panchkula.
4. SE/Technical (HQ), HPGCL, Panchkula.
5. SE/FTP, HPGCL, Faridabad.
6. All FAs & CAOs at HPGCL.
7. LR/HPUs, Panchkula.
8. All Dy. Secy./Under Secy./Admn. Officers in HPGCL

Memo No. Ch.72/HPGCL/GB/G-27/Locoe\[228\] Dated: 02.02.2016

Subject:
Grant of House Building Advance to the employees of HPGCL -requirement of service reg.

Kindly refer to the subject noted above.

In this context, keeping in view of the clarification received from State Govt., Finance Department vice memo dated 31.12.2015 (copy enclosed), it has been decided to dispense with the requirement of minimum 10 years regular service condition of HBA to the HPGCL employee and to grant the HBA to the employee with the following conditions as per PFR:-

i) Undertaking would be taken from the loanee (employee) that he/she will continue in service for sufficient long period to enable full recovery of the advance together with interest accrued being effected before termination of his/her service.

ii) In case of those employees, who are nearing retirement, the amount of the installment payable monthly may be so fixed as to ensure the recovery of the entire amount before the date of retirement.

iii) The other terms and conditions as issued by State Govt, instructions dated 22.11.2010, 18.01.2011 & 15.11.2011 and as amended/ fixed by State Govt. time to time in respect of House building Advance shall remains the same.

This issues with the approval of Managing Director, HPGCL.

DA/ As above.

SE/Admn.
for Chief Engineer/Admn.,
HPGCL, Panchkula.

CC:-

1. OSD to MD, HPGCL, Panchkula.
2. SPS to MD/HV/LV, HPGCL, Panchkula.
3. SPS to Director/Finance/Technical/Generation, HPGCL, Panchkula.
4. PS to Chief Engineer/Admn., HPGCL, Panchkula.
5. XEN/HR&IT, HPGCL, Panchkula w.r.t. upload the same on HPGCL website.
**Grant of House Building Advance to the employees.**

15.12.2015 के संदर्भ में।

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Condition</th>
<th>Requirement</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Minimum regular service required.</td>
<td>For point No.1, it is stated that there is no specific rules/instructions on account of minimum regular service for grants loan. However it is requested to kindly see Rule 10.13 of PFR Vol.I and take action accordingly.</td>
</tr>
<tr>
<td>2.</td>
<td>Balance Service left before retirement.</td>
<td>In this regard it is advised to kindly see Rule 10.20(4) of pfr Vol.1 and take action accordingly.</td>
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</table>
The Punjab Financial Rules
Volume - I
(As applicable to Haryana State)

(Amendments incorporated upto 30th June, 2015)
III - LOANS AND ADVANCES TO GOVERNMENT EMPLOYEES.

Note.— It is not permissible to sanction loan or advance to a Government employee which involves a breach of any of the canons of financial propriety (see rule 2.10). In any case in which a cash grant would be within the powers of sanction of a particular authority, the grant of an advance not exceeding the cash grant will not require the sanction of a higher authority.

(i) GENERAL

10.13 Rules in this section do not ordinarily apply to Government employee who are not in permanent Government employment. As the pay of such Government employees does not constitute adequate security for a loan advance should not ordinarily be granted to them. In special cases, however, if the circumstances admit of the provision of adequate security, advances may be granted in accordance with the terms of these rules, to officiating or temporary Government employees, without any substantive appointment under the general or special sanction of the Finance Department.

Note 1.— Advances for—

(ii) the construction of a house;
(iii) the purchase of a house;
(iv) the repayment of a private loan taken for the purchase of a house;
(v) repairs to a house; and
(vi) the purchase of a bicycle;

Will also be admissible to temporary or officiating Government employees without any substantive appointment provided—

(i) they furnish adequate security of permanent Government employees in addition to mortgaging their house, hypothecating their bicycle to Government; and
(ii) the Department in which they are working also certify that the concerned Government employee will continue in service for a sufficient long period to enable full recovery of the advance together with interest accrued being effected before termination of his services.

Note 2.— In cases where the conditions of note 1 are fulfilled the advances may be sanctioned to temporary or officiating Government employees without any substantive appointment by the Heads of Departments concerned.

10.14 The ass pay certificate granted to a Government employee under transfer must specify the original amount of such advances, the amount repaid and the balance together with interest, if any, accrued in accordance with rule 10.15 remaining due.
10.20 General instructions laying down the procedure to be followed in dealing with applications for advances for the construction, purchase or repair of houses are contained in Appendix 19. The following instructions shall also be carefully observed in dealing with such applications:

(1) As the "gross" amount of advances granted under these rules is not to exceed the amount provided in the sanctioned Budget Estimates an authority empowered to deal with an application shall not issue an order of sanction, until the Accountant General has certified that funds are available in the year in which payment of the advance will be made.

The Finance Department may, in fit cases, sanction advances in anticipation of availability of funds which will be provided by it through re-appropriation before the close of the financial year.

If the advance (or the first installment of a house building advance) in respect of which a certificate of availability of Funds has been issued by the Accountant General is not drawn within three months from the date of issue, it will be treated as cancelled and a fresh certificate of availability of funds (for the entire advance in the case of a house building advance) will be insisted upon by the Accountant General.

To avoid inconvenience and lapse of fund it is important that sanctioning authorities should not send applications to the Accountant General for report as to funds being available unless are satisfied that the amount applied for, if made available, will be drawn before the end of the financial year. Similarly when a sanctioning authority comes to know that any advance in regard to which the Accountant General has reported that funds are available will not be sanctioned or will not be drawn from the treasury within the financial year, the Accountant General should always be informed so that the funds earmarked for the purpose may be devoted to other applications.

(2) In all cases the authority empowered to sanction must definitely record whether:
(a) the applicant resides permanently in the station while in active service; or
(b) is liable to transfer in the ordinary course things before complete recovery can be effected.

Cases in category (a) will be granted precedence in all circumstances. Cases in category (b) will not be considered unless there is reasonable certainty that transfer will not be made for at least 49 months. In doubtful cases the Accountant General will refer to Government unofficially the question whether the application is to be treated as coming within category (a) or not. In doing so he will report the extent of
funds available and any other circumstances affecting the case. The decision of
Government will be communicated by him to the sanctioning authority.

(3) For the purpose of instruction (1) above application will be dealt with in the order of
receipt in the office of the authority receiving the application subject to the priority
specified in instruction (2).

(4) In case of those Government employees, who are nearing retirement the amount of
the installment payable monthly may be so fixed as to ensure the recovery of the
entire amount before the date of retirement.

(iii) ADVANCES FOR PURCHASE OF CONVEYANCES

(a) Advances for the purchase of a Motor Car or Motor boat.

10.21 Advances may be sanctioned to a Government employee for the purchase of a motor
car or a motor boat provided the following conditions are fulfilled:-

(1) An advance will be given only when the Government considers that it is in the
interest of the public service that the Government employees should use a car or a
boat in the discharge of his duties. Advances can only be granted to such
Government employees as are compelled in the course of their official duties to do
traveling or to make frequent journeys at short notice or where the saving of
time is of real importance.

(2) The total amount to be advanced to a Government employee should not exceed
Rs.7500 or four months pay or the anticipated price of the car or boat, whichever is
less. If the actual price paid is less than the advance taken, the balance must be
forthwith refunded to Government.

Note 1.— For the purpose of an advance drawn in England in respect of a motor car "actual
price" may also include, in cases in which the advance drawn includes estimates of these
charges the amount of freight actually paid on the car up to an Indian boat, the cost of its
insurance during the voyage and the custom duty paid in India.

In the case of a Government employee who chooses to take delivery of the car in
England, the actual price shall not include any claim on account of freight to India, the cost
of insurance for the voyage and the customs duty.

Note 2.— "Dearness pay", shall not be treated as part of pay for the purpose of grant of
advances for purchase of motor cars or motor boats, but "Special Pay", "Personal Pay"
and "Officiating Pay" shall be so treated.

(3) Advances should be applied for before the purchase is made, and the application for
an advance should certify that the Government employee is unable to make the
purchase without one.
the Examiner, Local Fund Accounts and the Registrar, Co-operative Societies, the utilisation certificates will be furnished by the sanctioning authorities to the Audit Office for the total amount of loans disbursed to these bodies/institutions for various purposes during each year on the basis of the audit report of the Examiner, Local Fund Accounts, or other departmental Auditors certifying the proper utilisation of the loans.

(c) In case of loans, the detailed accounts of which are maintained by the departmental officers, the consolidated utilisation certificates (except in the case of loans to individual) may be furnished to the Audit by the Head of Departments or the Chief Controlling Officers administering the loan for the total amount of loans disbursed each year. The certificates should indicate the year-wise break-up of the loans for which utilisation certificates are furnished.

(d) In the case of loans sanctioned in favour of individuals, the detailed accounts of which are maintained in the Adult office, the consolidated certificates need not be furnished to the Audit Office.

(e) The utilisation certificates should be supplied to the Audit Office within twelve months after the close of the financial year in respect of the loans granted during the previous financial year on the basis of the terms and conditions of the loans.

II—LOANS AND ADVANCES TO GOVERNMENT EMPLOYEES.

Note.—It is not permissible to sanction loan or advance to Government employees which involves a breach of any of the canons of financial propriety (see rule 2.10). In any case in which a cash grant would be within the power of sanction of a particular authority, the grant of an advance not exceeding the cash grant will not constitute a breach of financial propriety.

(6) GENERAL

10.13. Rules in this section do not ordinarily apply to Government employees who are not in permanent Government employment. As the pay of such Government employees does not constitute adequate security for a loan advance, these employees should not ordinarily be granted to them. In special cases, however, if the circumstances admit of the provision of adequate security, advances may be granted in accordance with the terms of these rules, to officiating or temporary Government employees, without any substantive appointment under the general or special sanction of the Finance Department.

Note 1 to advance for—

(i) the construction of a house;
(ii) the purchase of a house;
(iii) the repayment of a principal loan taken for the purchase of a house;
(iv) repairs to a house; and
(v) the purchase of a bicycle;

will also be admissible to temporary or officiating Government employees without any substantive appointment provided—

(i) they are not admissible to permanent Government employees to addition to personal advances, hypothecating their houses to Government; and

1. Rule 10.13 A Added vide No. 3891-90/60-72/1951, dt. 19-6-72 and Substituted vide No. 1926-20/63/76, 354/64, dt. 4-11-77.
10.13—10.16

PUNJAB FINANCIAL RULES

10.13. In the Department in which they are working, also certify that the concerned Government employee will continue to serve for a sufficiently long period to enable full recovery of the advance together with interest accrued being effected before termination of his services.

Note 2.—In cases where the conditions of note 1 are fulfilled, the advances may be sanctioned to temporary or retiring Government employees without any substantive appointment by the Heads of Department concerned.

10.14. The last pay certificate granted to a Government employee under transfer must specify the original amount of such advances, the amount repaid, and the balance together with interest, if any, accrued in accordance with rule 10.15 remaining due.

10.15. Simple interest at the rate fixed, by the competent authority, for the purpose should be charged on advances granted to Government employees for house building (including advances for the purchase and repair of houses) and for the purchase of motor cars, motor boats, motor cycles, and other conveyances and typewriters and in certain circumstances for the payment of special passage advances made in England by the High Commissioner for India (subject to exceptions under rule 10.15 (b)) and of passages overseas as the grant of which is regulated by the orders contained in rule 10.22 (c). The interest should be calculated on balances outstanding on the last day of each month.

In cases, where, under rule 5.1, pay bills for a month are disbursed before the end of the month, an installment in respect of payment of an advance received through the pay bill will be taken as having been refunded on the 1st of the following month, the normal date for disbursement of pay.

If, in any particular case, an advance is drawn in more than one installment, the rate of interest recoverable should be determined with reference to the date on which the first installment is drawn.

Note 1.—In the case of the assistant officers who are their own drawing officers and for whose case the personal audit is conducted by the Audit Office, the Audit Officer shall estimate the amount of interest drawn on the advance in the first installment of the pay bill and make the deduction against the salary paid in the second installment of the pay bill. In case the second installment of salary is not paid in time, the amount of interest will increase. In the case of non-assistant Government employees where the “Head of Office” draws and distributes the monthly allowances and salaries and in the case of assistant employees, the responsibility for calculation and levy of interest rests with the Head of Office. The Audit Office shall, however, check the correctness of interest recovered from the non-assistant Government employees in past audits. The Audit Office shall also furnish such particulars as the Head of Office may require for inclusion in the audit report as well as such assistance as may be required.

Note 2.—In cases where an account of premature death or retirement of a Government employee, it becomes necessary to recover a part of the outstanding balance of Interest bearing advance sanctioned to him and interest on the amount of such advance by adjustment either against his death-commission gratuity or leave salary actually drawn after the date of such premature death or retirement, as the case may be, no interest shall be charged on the amount of such an advance adjusted against death-commission gratuity or leave salary if any, beyond the date of death or retirement of the Government employee.

(i) HOUSE BUILDING ADVANCES

(a) Advances for construction of a house

10.16. Advances to Government employees for the construction of
Instructions for dealing with application for advances for construction purchase or repair of houses, etc.

10.20 General instructions laying down the procedure to be followed in dealing with applications for advances for the construction, purchase or repair of houses are contained in Appendix 19. The following instructions shall also be carefully observed in dealing with such applications:

1. As the "gross" amount of advances granted under these rules is not to exceed the amount provided in the sanctioned Budget Estimates an authority empowered to deal with an application shall not issue an order of sanction until the Accountant-General has certified that funds are available in the year in which payment of the advances will be made.

The Finance Department may, in fit cases, sanction advances in anticipation of availability of funds which will be provided by it through reappropriation before the close of the financial year.

If the advance (or the first installment of a house building advance) is in respect of which a certificate of availability of funds has been issued by the Accountant-General is not drawn within three months from the date of issue, it will be treated as cancelled and a fresh certificate of availability of funds (for the entire advance in the case of a house building advance), will be insisted upon by the Accountant-General.

To avoid inconvenience and loss of funds it is important that sanctioning authorities should not send applications to the Accountant-General for reports as to funds being available unless they are satisfied that the amount applied for, if made available, will be drawn before the end of the financial year. Similarly when a sanctioning authority comes to know that any advance in regard to which the Accountant-General has reported that funds are available will not be sanctioned or will not be drawn from the treasury within the financial year, the Accountant-General should always be informed so that the funds earmarked for the purpose may be devoted to other applications.

2. In all cases the authority empowered to sanction must definitely record whether:

(a) the applicant resides permanently in the station while in active service; or

(b) is liable to transfer in the ordinary course of things before complete recovery can be effected.

Cases in category (a) will be given precedence in all circumstances. Cases in category (b) will not be considered unless there is reasonable certainty that transfer will not be made for at least 48 months. In doubtful cases the Accountant-General will refer to Government unofficially the question whether the application is to be treated as coming within category (a) or not. In doing so he will report the extent of funds available and any other circumstances affecting the case.
The decision of Government will be communicated by him to the sanctioning authority.

(3) For the purpose of instruction (1) above application will be dealt within the order of receipt in the Office of the authority receiving the application subject to the priority specified in instruction (2).

(4) In case of those Government employees, who are nearing retirement, the amount of the instalment payable monthly may be so fixed as to ensure the recovery of the entire amount before the date of retirement.

(III) ADVANCES FOR PURCHASE OF CONVEYANCES

(a) Advances for the purchase of a Motor Car or Motor boat.

10.21. Advances may be sanctioned to a Government employee for the purchase of a motor car or a motor boat provided the following conditions are fulfilled:

(3) An advance will be given only when the Government considers that it is in the interest of the public service that the Government employee should use a car or a boat in the discharge of his duties. Advances can only be granted to such Government employees as are compelled in the course of their official duties to do much touring or to make frequent journeys at short notice or where the saving of time is of real importance.

(4) The total amount to be advanced to a Government employee should not exceed Rs. 7,500 or four months’ pay or the anticipated price of the car or boat, whichever is less. If the actual price paid is less than the advance taken, the balance must be forthwith refunded to Government.

Note 1.—For the purpose of an advance drawn in England in respect of a motor car, the “actual price” may also include, in case it with the advance drawn includes estimates of these charges the amount of freight actually paid on the car up to an Indian port, the cost of its insurance during the voyage and the customs duty paid in India.

In the case of a Government employee who chooses to take delivery of the car in England, the actual price shall not include any claim on account of freight to India, the cost of insurance during the voyage and the customs duty.

Note 2.—“Downsides Pay”, shall not be treated as part of pay for the purpose of grant of advances for purchase of motor cars or motor boats, but “Special Pay”, “Pension Pay” and “Officiating Pay” shall be so treated.

(3) Advances should be applied for before the purchase is made, and the application for an advance should certify that the Government employee is unable to make the purchase without one.

Possession of a conveyance should not be taken by the Government employee concerned until after he has received an intimation that an advance has been sanctioned. Where a Government employee has purchased or taken possession of a conveyance before he has received such intimation, the sanction of the advance will cease to