

NO. FIN(C/A/3)-2/99  
GOVERNMENT OF HIMACHAL PRADESH  
FINANCE (REGULATIONS) DEPARTMENT  
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DATED SHIMLA-2, THE

18th April, 2000.

To

The Commr. -cum-Secretary (Finance) to the  
Government of Himachal Pradesh.

1. All Administrative Secretaries of the  
Government of Himachal Pradesh.
2. All Heads of Departments in H.P.
3. All Deputy Commissioners in H.P.
4. All District & Sessions Judges in H.P.

SUBJECT:

VEHICLE LOAN SCHEME FOR THE EMPLOYEES OF H.P.  
GOVERNMENT DEPARTMENTS, CORPORATIONS AND OTHER  
STATUTORY BODIES FOR THE PURCHASE OF CAR/ SCOOTER/  
MOTORCYCLE ETC.

Sir,

I am directed to invite a reference to the subject mentioned above and to say that it has been decided by the State Government that in future, no advance for purchase of conveyance shall be allowed by the Government to Government servants. In this regard matter was taken up with Coop Banks in H.P. and these banks have agreed to allow advances to Government servants for purchase of conveyance. A scheme for allowing vehicle loan to Govt. employees has been notified by the Kangra Central Coop Bank.

Some salient features of this scheme are given below:

- a) Loanee has to become "B" class nominal member by paying some amount.

- b) Applicant should be permanent employee or should have put in 3 years service and also furnish surety of a permanent employee.
- c) Maximum loan should be restricted to Rs.3.5 lacs
- d) Loan & interest shall be recovered in 180 instalments.
- e) Rate of interest will be 14% with half yearly rest. Rebate of 1/2% for timely payment and penal interest at 1/2% for delayed payment will be charged.
- f) The borrower shall have to execute loan documents on prescribed proforma.
- g) The vehicle will be insured jointly in name of bank and the concerned employee and insurance charges will be borne by the employee himself.

3. You are requested to kindly bring above to the notice of all DDOs under your control and issue instructions to them to ensure action on the following points in cases where employees apply for loan under above scheme from the Bank:

- i) DDO certificate to the effect that monthly loan instalments will be deducted from the salary of the borrowing employee and same will be remitted by the DDO to the concerned bank branch from where loan is obtained.
- ii) In the event of transfer of loanee employee from one office to other, the DDO concerned shall incorporate the balance amount in the LPC of the concerned employee.

iii) During the currency of loan if borrower employee is transferred out of the area of operation of the bank, then DDO will ensure remittance of loan instalments by way of bank draft at par or as per mutual arrangements.

iv) In the event of death of employee while in service the amount will also be deducted by the concerned DDO/ Head of Office from the DCRG and other dues, so that the Bank may not suffer. With regard to any remaining after this, the legal heirs shall be liable to repay the same.

4. It is further requested that contents of this letter may also be brought to the notice of all employees under your control so that willing employees can apply to above bank for obtaining loan. Further details of the loan scheme are available with the all branches of above bank.

Yours faithfully,

Under Secretary (Finance)  
to the Government of H.P.

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Copy to:

1. The Accountant General (Audit), H.P., Shimla-3.
2. The Sr. Dy. A.G. (A&E), H.P., Shimla-3.
3. All District Treasury Officers / Treasury Officers in H.P.
4. Managing Director, Kangra Central Co-op Bank, Ltd. Dharamshala-176215.
5. The General Manager, H.P. State Cooperative Bank Ltd, The Mall, Shimla.
6. The General Manager, The Jogindra Central Co-operative Bank, Head Office Solan.
7. Guard File / Spare copies -- 50.

Under Secretary (Finance)  
to the Government of H.P.