

**THE AZAD GOVERNMENT OF THE STATE OF JAMMU &
KASHMIR HOME DEPARTMENT MUZAFFARABAD**

Government Order No. H&P/B-9(3)2338-78/72 Dated 10.4.72.

In supersession of Government Order No. 316/60 dated 8/6/1960 and Government Order No. 111/62 dated 15/2/1967 and all other orders on the subject, the Azad Government of the State of Jammu and Kashmir is pleased to sanction Revised Rules forming Annexure to this order for grant of advances (interest bearing) to Government Officers/Officials for purchase of Motor Cars, Motor Cycles, Motor Scooters and Auto Cycles.

Sd/-
(Raja Abdul Khaliq Khan)
TQA.
Addl: Chief Secretary.

**ANNEXURE 'A' TO GOVERNMENT
ORDER No. H&P/B-9(3)/2338-78/72 Dated 10-4-1972**

ANNEXURE 'A'

**RULE GOVERNING ADVANCES (LOAN) FOR PURCHASE OF
MOTOR CAR/MOTOR SCOOTER/MOTOR CYCLE/
AUTO CYCLE**

1. Advance may be sanctioned to a Government Officer/Official for the purchase of a Motor Car/Motor Cycle/Motor Scooter/Auto Cycle subject to the following conditions:-
 - i) An advance will be given only when the Government considers that it is in the interest of public service that the Government Officer/Official should use a Motor Car/Motor Cycle/ Motor Scooter/Auto Cycle in the discharge of his duties. Advance can only be granted to such Government Officers/ Officials 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 savings of time is of real importance, provided further that their pay is not less than Rs. 750/- p.m. in case of Car advance and exceeds Rs. 300/- p.m. but does not exceed Rs. 1250/- p.m. in case of Motor cycle/ Motor, Scooter/Auto Cycle.
 - ii) The total amount to be advanced to a Government Officer/

Official for Car advance shall not exceed Rs. 12000/- (Rupees twelve thousand) or one year's pay or anticipated price of the Car whichever is less. The total amount to be advanced to a Government Officer/Official for Motor Cycle/Motor Scooter/Auto-Cycle shall not exceed Rs. 3000/- (Rupees three thousand) or one year's pay or the anticipated price of Motor Cycle/Motor Scooter/Auto Cycle whichever is less. If the actual price paid is less than the advance taken, the balance should be forthwith refunded to the Government.

2. The application for Car advance will be submitted to the A.G. by the Heads of Departments through the Chief Secretary, whereas an application for Motor Cycle/Motor Scooter/Auto Cycle advance will be sent to the A.G. for verification of funds by the Head of Departments direct. The power to sanction the Car advance will vest in the Chief Secretary whereas the power to sanction the Motor Cycle/Motor Scooter/Auto Cycle advance will vest in the Heads of Departments.
3. Advance should if possible be applied for before the purchase is made, and the application for an advance should contain a certificate that the Government Officer/Official is unable to make the purchase without one. Except in the case provided for in Rule 3 possession of a Car/Motor Cycle/Motor Scooter/Auto Cycle should not be taken by the Government servant concerned until after he has received an intimation that an advance has been sanctioned. Where a Government Officer/Official has purchased or taken possession of a Car/Motor Cycle/Motor Scooter/Auto Cycle before he has received such intimation, the sanction of the advance will cease to be operative and money drawn must be forthwith refunded to Government, or fresh sanction accorded with the consent of the Finance Department, which will agree to such fresh sanction only when the circumstances are unusual.

Applications for the grant of advance in respect of Car/Motor Cycle/Motor Scooter/Auto Cycle which has already been purchased or taken possession of by a Government Officer/Official, irrespective of fact whether the price has been paid or not, should not ordinarily be sanctioned. Where, however, special circumstances exist for making a departure, from the rules, this should be referred to Finance Department within 3 months of the purchase of the Car/Motor Cycle/ Motor Scooter/Auto Cycle failing which the application will not be elucidated.

4. A Government Officer/Official who is on leave or about to

proceed on leave for whom an advance has been approved by the Government will not be allowed to draw the advance earlier than a week before the expiry of leave.

5. Recovery of advance will commence with the first issue of pay after the advance is drawn. It will be effected by the deduction of monthly installments, equal to one sixtieth part of the total advance (i.e. in total 60 installments) in case of Car advance) and forty eighth part of the total advance (i.e. in total 48 installments in case of Motor Cycle/Motor Scooter/Auto Cycle advance) from the pay bills of the Government servant concerned, or by cash payment by him when for any months no pay is due to him e.g. leave without pay. The authority sanctioning an advance may however, permit recovery to be made in a smaller number of installments, if the Government Officer/Official receiving the advance so desires. In case of Officer/Officials whose retirement from service is due in less than 5 years in case of Car Advance and less than 4 years in case of Motor Cycle/Motor Scooter/Auto Cycle advance, the amount of installments should be so raised as to ensure recovery of the full advance before date of retirement. The amount of interest (which will be calculated in the manner and at the rate in force in Pakistan) will be recovered in one or more installments, each such installment being; not appreciably greater than the installments by which the principal was recovered. The recovery of interest will commence from the month following that in which the whole of the principal has been repaid.

NOTE:- The amount of the advance to be recovered monthly should be fixed in whole rupees except in the case of the last installment when the remaining balance including any fraction of a rupee should be recovered.

6. Except when a Government Officer/Official proceeds on leave, other than leave on average pay (or P.L.) not exceeding four months or retires from the service, or is transferred to an appointment the duties of which do not render the possession of a motor Car/motor Cycle/Motor Scooter/Auto Cycle necessary, the previous sanction of Government in. necessary to the sale by him of the car/Motor Cycle/ Motor Scooter/Auto Cycle purchased with the aid of an advance which, with interest accrued, has not been fully repaid. If a Government Officer/Official wishes to transfer such car/motor Cycle/motor scooter/auto cycle to another Government Officer/ Official who performs the duties of a kind that renders the possession of a

motor car/motor cycle/motor scooter auto cycle necessary, the Government may permit the transfer of the liability attaching to the car/motor cycle/motor scooter/auto cycle to the latter Government Officer/official, provided that he records a declaration that he is aware that the car/motor cycle/motor scooter/auto cycle transferred to him remains subject to the mortgage bond and that he is bound by its terms and provisions.

7. In all cases in which a car/motor cycle/motor scooter/auto cycle is sold before the advance received for its purchase from Government with interest has been fully repaid, the sale proceeds must be applied so far as may be necessary, towards the repayment of such out-standing balance, provided that when the car/motor cycle/motor scooter/auto cycle is sold only in order that another car/motor cycle/motor scooter/auto cycle may be purchased, the sanctioning authority may permit a Government Officer/Official to apply the sale proceeds towards such purchase subject to the following conditions: -
- (a) The sale price will be set off against the cost of the new car and the second advance, it any reduced accordingly.
 - (b) The amount outstanding shall not be permitted to exceed the cost of the new car/motor cycle/motor scooter/auto cycle.
 - (c) The amount outstanding shall continue to be repaid at rate previously fixed.
 - (d) The new car/motor cycle motor scooter/auto cycle must be insured as mortgaged to Government as required by these rules.

when the Government officer/official is at the summer headquarters of Government, if any.

such insurance should be effected within one month from the date of purchase of the car/motor cycle/motor Scooter/auto cycle. On receipt of the certificate prescribed in para II, the A.G. will obtain from the Government Officer/official drawing the advance a letter in form 23 (Annexure-E) to the Motor Insurance Company with whom the motor car/motor cycle/ motor scooter/auto cycle is insured to notify to them the fact that the Government is interested to notify to them policy secured. He will himself forward this letter to the Company and obtain their acknowledgement. In the case of insurance effected on annual

basis the process prescribed above shall be repeated every year until the advance has been fully repaid to Government. As soon as the insurance has been effected the policy or renewal note, as the case may be, should be submitted to the A.G. for scrutiny.

ii) Contravention of these orders (evidence in respect of compliance wherewith should be promptly furnished to the A.G.) will render the Government Officer/official liable to refund the whole of the amount advanced with interest accrued, unless good reason is shown to the contrary. The amount for which the car/motor cycle/motor scooter/auto cycle 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 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 officer/ official will be required by the A.G. to refund the difference to Government. The amount to be refunded must be recovered in not more than three monthly installments.

14. As the "gross" amount of advances granted under rules does not exceed the amount provided in the sanctioned budget so the authority empowered to deal with an application shall not issue an order of sanction until the A.G. has certified that funds are available in the year in which payment of the advance will be made.

To avoid inconvenience and lapse of funds it is important that sanctioning authorities should not send applications to the A.G. for report 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 A.G. has reported that funds are available will not be sanctioned or will not be drawn from the treasury within the financial year, the A.G. should always be informed so that the funds earmarked for the purpose may be devoted to other applications.

15. When sanctioning an advance, the sanctioning authority shall carefully observe the instructions given in this rule and shall always draw the attention of the Government officer/official concerned to these instructions.

16. While forwarding the application by the officer/official for car/motor cycle/motor scooter/auto cycle advances, the sanctioning authority should furnish the following certificates to the audit officer:-
- (a) If an officer/official applies for the advance for the purchase of new car/motor cycle/Motor scooter/auto cycle from the market, he should produce evidence showing that the car/motor cycle/motor cycle motor scooter/auto cycle dealer will supply him a car/motorcycle/motor scooter/auto cycle within the specific period, which should not be more than 2 months from the date the funds are earmarked by the audit office.
 - (b) If an officer/official intends to purchase a second hand car/motor cycle/Motor scooter/auto cycle, he should submit an evidence to the effect that the seller of the car/motor cycle/motor scooter/auto cycle is prepared to dispose of his car/motor cycle/motor scooter/ auto cycle No.....
Make.....to the officer/official concerned within a month from the date the funds are earmarked by the audit office.
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