

INTEREST FREE SALARY ADVANCE.**01. OVERALL GUIDELINES**

- a. Eligibility: All Staff members
- b. Limit: The maximum limit for interest free salary advance / festival advance is furnished below:

Category of Staff	Limit
Officers	One month Basic + DA + Professional Qualification pay + Fixed Permanent pay
Award Staff	One month Basic + DA + Professional Qualification pay + Fixed Permanent pay +Special pay

- c. Tenor of the Loan: The Advance is repayable in 10 equal monthly instalments, the first instalment to commence from the month succeeding the month in which the advance is applied. The repayment period shall not exceed 10 months or the balance of service left, whichever is less
- d. Net Take-Home Pay: Take Home pay after recovery of the instalment of Festival Advance/Interest Free Salary Advance shall not be less than 40 % of Gross salary
- e. Other terms and conditions:
 - i. An undertaking to deduct the monthly instalments from the salary of the employee has been included in online application. The instalments shall be recovered centrally from the monthly salary of the employee
 - ii. An employee is eligible to avail only one Interest Free Salary advance/Festival Advance during the CALENDAR YEAR and can not avail a second advance under this facility in the same year even though the first festival advance availed during the year is completely adjusted
 - iii. ZONAL MANAGERS are authorised to sanction "Interest Free Festival Advance"/" Festival Advance" to the staff members under suspension ON PRO-RATA BASIS
 - iv. The perquisite value of the Interest Free Salary Advance/Festival Advance will be calculated and appropriate Income Tax shall be recovered as per the directions of the Government, conveyed through our circulars from time to time.

- v. Interest will be charged at the rate applicable to clean loan to salaried class on the overdue portion in case of non-repayment.

05. Interpretation

In case of any clarification in the scheme the decision of General Manager (HRM) shall be final.