

Ministry of Public Administration,  
Independence Square,  
Colombo 7.  
28th September, 1988.

To: All Secretaries to Ministries  
and Heads of Departments.

Special Advance to Public Officers - 1989

It has been decided that a special advance not exceeding Rs.500/- be paid in 1989 to the following:-

- (a) All permanent public officers in non-staff grades are eligible to draw the special advance. An officer in the staff grade means a public officer the initial salary of whose new salary scale is Rs.27,000 per annum or above and whose annual-increment is Rs.600/- or above.
  - (b) Temporary and casual non-staff grade public officers with a continuous period of employment of not less than three months immediately prior to the date of the payment of the advance and with definite prospects of being in continuous employment for the full period during which the loan is recovered. (i.e. at least up to the end of December, 1989) too are eligible to draw the special advance.
02. A public officer who has defaulted payment of instalments on Special Bank Loans/Special advance drawn by him, if any, for the calendar years from 1977 to 1988 will not be eligible for this special advance of 1989.
  03. The payment of this advance should be completed between the period of 01.01.1989 to 28.02.1989. No payment should be made after 28.02.1989.
  04. This advance should be debited to "Advance to Public Officers Account-B".
  05. The advance is recoverable in 10 equal monthly instalments together with equated monthly interest at the rate of 14% per annum. The equated monthly interest on an advance of Rs.500/- is fixed at Rs.3.22. A proportionate equated monthly interest should be charged for advances less than Rs.500/-.
  06. The recoveries made on account of this advance is exempted from the 40 per cent or the 33 1/3% limit, set out in F.R. 238 and Chapter XXIV Section 3 of the Establishments Code.
  07. Recoveries of instalments of principal should be credited to the "Advance to Public Officers Account-B" from which this advance is payable. Recoveries of interest should be credited to the "Advance to Public Officers Account-B" from which this advance is payable.

08. These recoveries should not be mixed up with Festival or other advances payable from "Advances to Public Officers Account" or with Special Bank Loans 1977, 1978 and 1979.

09. A separate Register on Form C.C. 10 should be maintained for recording the payment and recovery of instalments of capital and the equated monthly interest.

10. Heads of Departments should take action to revise the limits of the Advance Account, where necessary in terms of F.R.503 and in terms of Treasury Circular Letter No.31 of 28.02.1985.

11. In view of the payment of this special advance, Special Bank Loans will not be paid in 1989.

12. Regarding a public officer who is transferred, the procedure normally adopted in respect of recoveries of advances from Advance Account should be followed - i.e. the outstanding balance of the advance should be paid to the department releasing the employee by the Department taking him in debiting its "Advance to Public Officers Account-B" and thereafter recoveries continued in instalments, ensuring that in any case the recoveries are completed by end of December, 1989.

13. Where an officer who obtained an advance under this scheme ceases employment, the Pay and Establishments Units should ensure that the balance advance outstanding (including equated interest) from such employee is recovered from his pension/provident fund/security/gratuity or other monies payable to him and if he is a temporary officer from his last month's pay.

14. The Advance is paid in addition to the advances/loans paid under Public Administration Circular No.293 of 03.06.1985.

15. By making necessary amendments to the Specimen Application form annexed to Public Administration Circular No.268 of 25.09.1984, application forms for this Advance should be prepared by the granting authority.

16. Please bring the contents of this Circular to the notice of all eligible officers in your Department.

17. This circular is issued with the concurrence of the Treasury.

Sgd:M.N. Junaid

Director of Establishments.