

GOVERNMENT OF KERALA
Abstract

HOUSE CONSTRUCTION ADVANCE TO GOVERNMENT SERVANTS-
REPAYMENT OF PRINCIPAL ADVANCE AND INTEREST-FIXING OF
INSTALMENTS OF REPAMENT-MODIFICATION OF RULES-ORDERS ISSUED

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FINANCE DEPARTMENT

G.O.(P) 455/66/Fin.

Dated, Trivandrum, 12th October,1966.

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Read:-1. Letters No. Loans/9-1/65-66/728 dated 2-8-1965, L.A1/9-1/General 112 dated 21-05-1966 and L.A1i/9-1/General/543Dated 5-7-1966 from the Accountant General.

ORDER

According to article 254 Section A(4) of Kerala Financial Code volume I the repayment of principal amount of House Construction advance should be completed in 180 monthly installment while the interest on the advance should be recovered in 36 monthly installments. But in Article 254 Section A(6) of Kerala Financial Code Volume I it is laid done that there should not be appreciable variation between the rates of recovery principal of advance and interest thereon. Since the present rate of interesting House Construction Advance is 5½% as against the rate of 4½% fixed at the time framing the above rules, the rate recovery of interest in 36 installments is higher than that of the principal amount of advance to be recovered in 180 installments and the monthly rate of recovery of the principal amount of advance will also have to be fixed at a higher rate, thereby reducing the total number of installments of recovery in order to have parity with the rates of recovery of interest as provided under Article 254 section A(6) of Kerala Financial Code Volume I. As a result of this the loanees do not get the benefit of the maximum number of installments of recovery specified in the rules and they have to pay the advances with interest at higher rates. Hence some of the loaners have represented to Government to modify the existing rates regarding the recovery of advance and interest so as to enable them get the benefit of the maximum number of installments of recovery of advance at a lower rate.

In the circumstances Government are pleased to order that the whole amount of principal and interest there on will be recovered in 216 months installments in respect of

future cases of House Construction Advance the repayment installment of which are yet to be fixed by the Controller of Accounts.

Amendment to the Kerala financial Code Volume I will be issued separately.

By order of the Governor
G.K. PARUKUTTY AMMA,
Assistant Secretary

To

The Accountant General Kerala
The Finance (Rules Section) Department for issuing necessary Amendments to the Kerala Financial Code
All Heads of Departments and officers
The Registrar High Court with C.L
The Secretary Kerala Public Service Commission with C. L
The Secretary Vigilance Commission with C.L
The Secretary Electricity Board
The Secretary to the Governor
All Secretaries, Additional Secretaries to Government.
All Departments and sections of the Secretariat
The Private Secretaries to Advisers
The Stenographer to the Chief Secretary