

**Extracts from the Minutes of the 40th meeting of the
Oil Industry Development Board held on 8th December, 1998**

**13 Item No. 40.13 Amendment in OIDB Employees' Advances (Grant
& Recovery) Regulations –**

- a) House Building Advance and**
- b) Vehicle Advance**

The Board approved the proposals and the consequent amendment to OI DB Employees advances (Grant & Recovery) Regulations in respect of HBA and Vehicle Advance.

Agenda Item No. 40.13	Amendment in OIDB Employees' Advances (Grant & Recovery) Regulations- a) House Building Advance and b) Vehicle Advance
Background	<p>The OIDB Employees' Advances (Grant & Recovery) Regulations, 1987 provide for conditions for grant of House Building Advance, Car Advance, Scooter Advance, Fan Advance, Festival Advance, Medical Advance etc. After considering the recommendations of the Fifth Central Pay Commission Report, the Central Government has liberalized further the existing scheme of House Building Advance and Vehicle Advance. as per revised scales of Pay introduced consequent upon the implementation of the Fifth Pay Commission Report. The Oil Industry Development Board has also implemented the revised scales of pay with the approval of the Board and the Pay Scales prevailing in OIDB are at par with the Scales prevailing for Central Government Employees in Government offices. It is, therefore, felt that the provisions of OIDB Employees' (Grants & Recovery) Regulations may also be amended suitably as the costs of acquiring flat/construction cost has increased considerably. It is, therefore, proposed to increase the quantum of advance in respect of House Building Advance and also Vehicle Advance as elaborated in annexure-I & II. The proposed amendments to OIDB Employees Advances (Grant & Recovery) Regulations in respect of House Building Advance and Vehicle Advance are at annexure-III & IV.</p>
Decision required	<p>The proposed amendments to OIDB Employees' (Grants & Recovery Regulations) as given in annexure I & II, may kindly be considered by the Board for approval.</p>

**Existing Provisions of House Building Advance in OIBB vis-à-vis
Proposed amendments**

1. Quantum of House Building Advance

- (i) **Existing :-** 100 times the monthly Basic Pay plus DA or Rs.4.00 Lakh whichever is less.
- (ii) **Proposed:-** 100 times the monthly Basic Pay plus DA or Rs.7.5 Lakh or cost of house or repaying capacity whichever is the least for new construction/purchase of new house/flat.

2. Quantum of HBA for enlarging the living accommodation

- i) **Existing:-** Hundred times the monthly Basic Pay or Rs.1.00 lakh whichever is less
- ii) **Proposed:-** 100 times the monthly Basic Pay or Rs.1.80 lakh whichever is less.

3. Cost Ceiling Limit

- i) **Existing:-** Rs.3.00 lakh for basic pay up to Rs.2000/-
Rs.6.00 lakh for basic pay Rs.2000-3700/-
Rs.8.00 lakh for basic pay above Rs.3700/-
- ii) **Proposed:-** 200 times basic pay subject to a minimum of Rs.7.5 lakh & a maximum of Rs.18.00 lakh.

On the merits of the case the cost ceiling may be relaxed upto a maximum of 25% the cost ceiling mentioned above.

4. Justification for Enhancement

The Central Government has enhanced the ceiling of house building advance to Rs.7.5 lakh in respect of new construction/purchase of new house/flat and ceiling of Rs.1.80 lakh for enlarging the living accommodation. Similarly, cost ceiling limit has been revised to 200 times basic pay subject to a minimum of Rs.7.5 lakh and a maximum of Rs.18.00 lakh for Central Government Employees.

**Existing Provisions of Vehicle Advance in OADB vis-à-vis
proposed amendments**

1. Quantum of Vehicle Advance for purchase of Car for the first occasion

- (i) Existing :- 36 months pay or Rs.80000/- or the actual cost of the Car whichever is the least.
- (ii) Proposed:- 11 months basic pay or Rs.180000/- or the anticipated price of the Motor Car whichever is the least.

Eligibility Conditions

- (i) Existing:- Drawing basic pay of Rs.3700/- hundred and above.
- (ii) Proposed:-Group A&B officers drawing basic pay of Rs.8000/- and above

Quantum of advance on the second or subsequent occasion

- (i) Existing:- No provision exists.
- (ii) Proposed:- Rs.160000 or 11 months basic pay or anticipated price of the Motor Car whichever is the least.

**2. Quantum of advance for purchase of Motor Cycle/Scooter/Moped
for the first occasion**

- (i) Existing :- 15 months pay or Rs.12,000/- or anticipated price of the Vehicle whichever is the least.
- (ii) Proposed:- 6 months basic pay or Rs.30,000/- or anticipated price of the Vehicle whichever is the least.

Eligibility Conditions

- (i) Existing:- Drawing basic pay of Rs.1400/- p.m.
- (ii) Proposed:- Drawing basic pay of Rs.4000/- p.m.

Quantum of advance on the second or subsequent occasion

- (i) Existing:- No provision exists.
- (ii) Proposed: 5 months basic pay or Rs.24000/- or the anticipated price of the Vehicle whichever is the least.

3. Rate of Interest:-

- (i) Existing:- As laid down by the Central Government from time to time.
- (ii) Proposed:- @ 5.5% p.a.

Justification:- The Central Government has enhanced the ceiling limit of advance for purchase of Vehicle. The financial implication of the proposed reduction of interest rates will be very negligible. This will not adversely affect the OADB's resource availability due to the fact that the number of the eligible employees availing of the above advances will be very low due to the fact that the strength of the organisation, including group 'D' Staff, is 30 only. Further the minimum of the funds lying in the saving bank account of OADB will be sufficient at any point of time to meet the demand for advance without putting any extra burden on OADB's budget as the amount lying in OADB's saving bank account yields interest at nominal rate only i.e. 4.5%.p.a..

Existing HBA Regulation in OIBD	Position after amendment						
<p>Rule 8: Quantum of HBA</p> <p>1. The amount of advance admissible is 100 times the monthly pay plus DA of the employee or Rs.4.00 lakh whichever is less.</p> <p>2. In case of enlarging the living accommodation in an existing house, the amount admissible is 100 times the monthly pay or Rs.1.00 lakh whichever is less.</p>	<p>1. The months and figures 100 times the monthly pay plus DA in line 2 and Rs.4.00 lakh in line 3 of Rule 8 (1) may be modified to read as 100 times the monthly pay plus DA or Rs.7.50 lakh or cost of House or repaying capacity whichever is the least for new construction/purchase of new house/flat.</p> <p>2. The words and figures of 100 times the monthly pay and Rs.1.00 lakh in line 4 of Rule 8(2) may be read as 100 times the monthly pay or Rs.1.80 lakh whichever is less.</p>						
<p><u>Rule 7: Cost Ceiling Limit</u></p> <table data-bbox="279 1008 869 1254"> <tr> <td>Upto Rs.2000/- p.m.</td> <td>Rs.3,00,000/-</td> </tr> <tr> <td>More than Rs.2000/-p.m. but less than Rs.3700/-p.m.</td> <td>Rs. 6,00,000/-</td> </tr> <tr> <td>More than 3700/-p.m.</td> <td>Rs.8,00,000/-</td> </tr> </table>	Upto Rs.2000/- p.m.	Rs.3,00,000/-	More than Rs.2000/-p.m. but less than Rs.3700/-p.m.	Rs. 6,00,000/-	More than 3700/-p.m.	Rs.8,00,000/-	<p>The existing slabs of Cost Ceiling Limit under Rule 7(f) may be amended to read as "200 times the basic pay subject to a minimum of Rs.7.5 lakh and a maximum of Rs.18.00 lakh. On the merits of the case the cost ceiling may be relaxed upto a maximum of 25% the cost ceiling mentioned above".</p>
Upto Rs.2000/- p.m.	Rs.3,00,000/-						
More than Rs.2000/-p.m. but less than Rs.3700/-p.m.	Rs. 6,00,000/-						
More than 3700/-p.m.	Rs.8,00,000/-						

Existing Vehicle Advance Regulation in OIDB	Position after amendment
<p>Rule 16: Quantum of Car Advance</p> <p>The amount to be advanced to an officer shall not exceed 36 months pay or Rs.80,000/- or the actual cost of the Car whichever is the least.</p> <p style="text-align: center;">Quantum of advance on the second or subsequent occasion</p> <p>At present no provision exists.</p> <p><u>Eligibility Conditions</u></p> <p>An officer of the Board drawing basic pay of Rs.3700/- and above may be granted an advance for purchase of a motor car.</p>	<p>The months & figures of 36 month pay or Rs.80,000/- in line 2 of Rule 16(2) may be amended to read as "11 months basic pay or Rs.180000" or the anticipated price of the Motor Car whichever is the least.</p> <p>Following may be inserted in Rule 16 (2).</p> <p>"11 months basic pay or Rs.160000/- or anticipated price of the Motor Car whichever is the least may be granted as advance for purchase of Motor Car on the second or subsequent occasion."</p> <p>The basic pay of Rs.3700/- in line 2 of Rule 16(1) may be amended to read as "Group A&B Officers drawing basic pay of Rs.8000 and above."</p>
<p>Rule 17: Scooter/Motor Cycle/Moped Advance</p>	
<p style="text-align: center;">Quantum of Scooter/Motor Cycle/Moped Advance</p> <p>The total amount of advance shall not exceed 15 months Pay or Rs.12,000/- or anticipated price of the vehicle whichever is the least.</p> <p style="text-align: center;">Quantum of advance on the second or subsequent occasion</p> <p>At present no provision exists.</p>	<p>The months & figures of 15 months pay or Rs.12,000/- in line 2 of Rule 17(ii) may be amended to read as "6 months basic pay or Rs.30,000" or anticipated price of the Scooter/Motor Cycle/Moped whichever is the least.</p> <p>Following may be inserted in Rule 17 (ii).</p> <p>"5 months basic pay or Rs.24,000/- or anticipated price of the Scooter/Motor</p>

	Cycle/Moped whichever is the least may be granted as advance for purchase of Scooter/Motor Cycle/Moped on the second or subsequent occasion.”
<p><u>Eligibility Conditions</u></p> <p>This advance shall be admissible to an employee drawing pay of Rs.1400/- p.m. or above.</p> <p><u>Rate of Interest</u></p> <p>The advance shall carry the simple interest as may be laid down by Government from time to time.</p>	<p>The basic pay of Rs.1400/- in line 2 of Rule 17(i) may be amended to read as “Basic Pay of Rs.4000/- p.m.” and above.</p> <p>The provisions of Rule 16(5) and 17(iv) may be replaced with the following:-</p> <p>“The advance shall carry the interest rate of 5.5% p.a.”</p>

HBA_Agenda