

# **INDIAN INSTITUTE OF TECHNOLOGY GANDHINAGAR**

## **NORMS ON SHORT-TERM ADVANCE TO EMPLOYEES OF THE INSTITUTE**

The Board of Governors in its 12<sup>th</sup> meeting held on 14<sup>th</sup> November 2013 has approved the scheme of short-term advance to employees of the Institute. The details of the scheme are as follows:

1. The short term advances to the Institute employees will be made available for the purposes of illness, education, obligatory expenses, legal costs, purchase of consumer durables and pilgrimages.
2. The maximum of advance may be restricted to 3 months' pay (sum of BS, GP & DA).
3. Interest at the prevailing rate (on the date of sanction of advance) of public provident fund (PPF) shall be chargeable on the advance. The interest will be compounded monthly.
4. The recovery of principal and interest should be in maximum 36 equal monthly installments.
5. The recovery starts from that month's salary following the month, in which the advance is drawn by the employee.
6. The amount of advance and number of installments of recovery, should be such that after the total deduction along with recoveries against other advances/loans/taxes etc. the take-home money for the employee does not fall below the statutory limit of percentage of the salary, if any.
7. A second advance under this scheme can be taken during the pendency of recovery of the previous advance under identical conditions, till the condition under (vi) is not violated.
8. No applicant has any right to claim this short-term advance. The sanctioning authority, after due consideration of borrowing habits and repaying capacity of the applicant, may approve the advance at his discretion.