

ADMINISTRATIVE CIRCULAR NO. 18 DATE 7/2/2006

Sub : Grant of advance to the employees for purchase of Personal Computer (PC) or Laptop.

The Managing Director in consultation with Director (Operation) and Director (Finance) has approved the proposal for grant of advance to the employees of the MSEDCL for purchase of Personal Computer (PC) or Laptop.

2. The Director (Finance) has decided to charge concessional interest @ 5% p.a. on the advance to the employees.

3. The Director (Finance) has also accorded approval to utilize the budget provision of Vehicle Advances amounting to Rs. 1.44 Crores made for the financial year 2005-06, as notified vide H.O. Circular No. AD/Finance/Profit Centre/37443, dated 6/12/2005. The Zonewise allocation of the budget provision for the year 2005-06 shall be issued by the General Manager (Estt.) separately.

4. The terms and conditions for grant of advance to the employees of MSEDCL for purchase of Personal Computer (PC) or Laptop are enclosed herewith.

Encl. : As above



(S.Y. Patil)

Chief General Manager(P)

To,

As per mailing list upto Divisions of MSEDCL.

*Terms and conditions for grant of advance to the employees of the
MSEDCL for purchase of Personal Computer (PC) or Laptop.*

1. PURPOSE OF ADVANCE:

Advance for purchase of PC (or Laptop) shall include components like -

- (a) All necessary peripherals like CPU, Monitor, Mouse Pad, Key Board etc.
- (b) Hardware, Modem, UPS, Printer, Speakers, Blue Tooth, Web cam, Gadgets etc.
- (c) Operating System, Softwares, Packages, etc.
- (d) Computer Furniture.
- (e) All taxes as applicable from time to time.

2. LIMIT OF ADVANCE:

The amount of advance shall be Rs.45,000/- or the actual cost of the PC (or Laptop) whichever is less.

3. INTEREST:

The advance shall bear interest at the rate as may be decided by the Director(Finance) of the Company, from time to time. The interest will be calculated on balances outstanding on the last day of each month. The recovery of interest shall commence from the month following the month in which the last installment of principal is repayable.

4. EMPLOYEES ELIGIBLE TO APPLY FOR ADVANCE:

- (a) An employee in Pay Group I & II who has been in continuous service of the Company (including service in erstwhile MSEB) for more than two years shall be eligible to apply for the advance.
- (b) The employees retiring within one year shall not be eligible for the advance.

5. APPLICATION FOR ADVANCE:

Application for advance in the prescribed Form (Annexure 'A') should be made through the immediate Head of the Office (not below the level of Sub Division).



6. COMPETENT AUTHORITY:

The following authorities shall be competent to sanction advance.

Sr. No.	Category of employee	Competent Authority	Remarks
1.	Employees working in Sub Division and Division	S.E.	In case the Competent Authority itself wants advance then it shall be sanctioned by the immediate next Authority higher than the Competent Authority.
2.	Employees working in Circle Office or attached to Circle for drawal of salary.	S.E.	
3.	Employees working in Zonal Office or attached to Zone for drawal of salary.	C.E.	
4.	Employees working in Head Office	CGM(P)	

7. MODE OF DRAWAL OF ADVANCE:

- (a) At the time of drawing the advance the employee shall be required to execute an agreement in the Form in Annexure 'B' on a stamp paper of appropriate value, alongwith quotation from dealer/s or vendor/s.
- (b) The expenditure on stamp paper for executing agreement shall be borne by the concerned employee.
- (c) The amount of advance shall be drawn within one month from the date of sanction or before 31st March of the year in which the advance is sanctioned, whichever is earlier. If the advance is not drawn before 31st March for any reason the sanction shall be deemed to be lapsed.

8. PROOF OF UTILISATION & EXECUTION OF MORTGAGE BOND

- (a) The employee shall submit the proof of purchase of PC (or Laptop) alongwith mortgage bond executed in Form Annexure 'C' on a stamp paper of appropriate value hypothecating PC or (Laptop) to the Company within three completed calendar months from the drawal of advance. In case employee fails to submit proof of utilisation alongwith mortgage bond he shall be liable for penal interest at the rate of 24% on the entire advance without any communication on this count. Submission of either proof of utilisation or mortgage bond separately shall not be treated as compliance of this condition and the employee shall be liable for penal

interest. Similarly delayed submission of proof alongwith mortgage bond shall also not absolve the employee from the penal interest.

- (b) The expenditure on stamp paper for executing mortgage bond and any other charges, if any, for hypothecating the PC shall be borne by the concerned employee.

9. INSURANCE COVERAGE:

The employee shall insure the PC (or Laptop) against loss or damage by fire, theft, break down etc. and shall ensure that the Insurance is continued till the full repayment of the advance amount and interest thereof.

10. REPAYMENT OF ADVANCE:

- (a) The recovery of the advance shall be made in not more than 40 equal monthly installments for principal amount and thereafter interest shall be recovered in not more than 5 monthly installments. However, an employee may opt for different number of equal monthly installments for principal and interest within total 45 monthly installments.
- (b) The amount of installment towards principal shall be fixed in such a way that it is rounded upto nearest Rupee to match with equal number of installments of recovery even by way of reducing marginal amount of admissible advance to avoid the fraction which can not be equated while fixing monthly installment for repayment of principal amount.
- (c) It will be open for an employee to repay the amount in shorter period if he so desires. Even the employee may remit entire balance amount with interest at any time within the period of repayment fixed for him. In any case the entire advance must be paid in full with interest thereon before the date on which the employee is ceasing from the service on account of retirement or resignation.
- (d) Repayment of advance shall commence from the beginning of the month following the month in which the advance is drawn. The recovery of interest shall commence from the month following the month in which the last installment of principal is repayable.

- (c) The employee failing to submit proof of utilisation alongwith mortgage bond within the stipulated time shall also be permitted to remit entire balance of amount with penal interest at any time within the period of repayment.

11. GENERAL CONDITIONS:

- (a) Grant of an advance cannot be claimed by an employee as of right.
- (b) Grant of advance shall not be deemed to have established a claim in favour of the employee for any reimbursement or any cost of maintenance or repairs or replacement of any part of the PC (or Laptop).
- (c) The Company shall not be bound to grant any advance and shall also not be liable to give reasons for rejecting any application for advance. The Competent Authority, however, shall consider all applications received for grant of advance in order of chronology of receipt of applications having regard to the availability of budget provision for the purpose.
- (d) An employee quitting the services of the Company before the whole amount of the advance with interest has been recovered, the balance amount with interest shall be deducted from the final dues payable to employee.
- (e) The Company shall not be liable for any of the liability, which may arise out of use or connectivity of the hypothecated PC (or Laptop) by the concerned employee or by any member/s of his family or any other person.
- (f) The Company may from time to time amend these terms and conditions by adding to, altering or deleting any of these terms and conditions and such amended terms and conditions shall apply with effect from the date on which these terms and conditions came into force.

Application form for grant of advance for
purchasing Personal Computer (or Laptop)

To,

Through : The _____
M.S.E.D.C.L., _____

Sir,

I the undersigned hereby apply for grant of an advance for purchase of a Personal Computer(or Laptop).

2. Following particulars in this connection are furnished as required:-

1. Name of Applicant : _____
2. Designation : _____
3. C.P.F.No. : _____
4. (a) Place of working : _____
(b) Sub-Division : _____
(c) Division : _____
(d) Circle : _____
(e) Zone : _____
5. (a) Date of Joining in the service : _____
(b) Completed years of service as on the date of application : _____
6. (a) Date of Birth : _____
(b) Date of Retirement : _____
(c) No.of years of service remained : _____
7. (a) Basic Pay : _____
(b) Pay scale : _____
8. Approximate estimated Cost of PC(or Laptop) alongwith details of components : _____

P.T.O.

9. Amount of advance required and installments for recovery of the advance (as per option of the employee) :

(a) Principal amount = No.of installments _____ x (Multiplied by)
Amount of equal monthly installments Rs. _____
= (equal to) Amount of advance _____

(b) No. of installments for repayment of interest : _____

UNDERTAKING

The above information given by me is true and correct as per my knowledge.

I hereby agree to abide by the prescribed conditions and undertake

- (i) to utilise the amount of advance for the purpose for which it is asked for.
- (ii) to sign the agreement in the prescribed form if the advance is sanctioned to me alongwith the quotation from dealer/s or vendor/s.
- (iii) to hypothecate the Computer (or Laptop) with all components to the Company after it is purchased till the time of repayment of the advance with interest.
- (iv) to insure the PC with all components till the repayment of the advance with interest.
- (v) to comply the condition of purchasing the PC with components and submission of proof of utilization alongwith mortgage bond within stipulated period, failing which I am liable to pay the penal interest as prescribed in terms & conditions.

I hereby declare that I have not drawn the Computer Advance in the past.

Yours faithfully,

Date : _____

Signature of the applicant: _____

(Name of Applicant) _____

Place : _____

Submitted to the _____, Maharashtra
State Electricity Distribution Co.Ltd., _____.

The details furnished by the applicant have been verified and are correct.

Signature of Forwarding Authority: _____

Designation of Forwarding Authority: _____

ANNEXURE 'B'
Form of Agreement

(To be executed by the employee on Stamp Paper of appropriate value)

An agreement made this _____ day of the month of _____ the year two thousand and _____ between _____ (hereinafter called the Borrower, which expression shall include his legal representative/s and successor/s) of the one part and the Maharashtra State Electricity Distribution Co.Ltd., (hereinafter called the MSEDCL which expression shall include its legal representatives, successors and assignees) of the other part. Whereas the Borrower has applied to the MSEDCL for a loan of Rs. _____ (in words) (Rupees _____) for the purchase of PC (or Laptop) and the MSEDCL has agreed to lend the said amount to the Borrower on the terms and conditions prescribed on the subject for the grant of advance for the purchase of PC and the terms and conditions hereinafter contained. Now it is hereby agreed between the parties hereto that in consideration of the sum of Rs. _____ (Rupees _____) paid by the MSEDCL to the Borrower the receipt of which the Borrower hereby acknowledges.

The Borrower hereby agrees with the MSEDCL (i) to repay to the MSEDCL the said amount with interest at the rate notified from time to time by the MSEDCL by monthly deductions from his salary and hereby authorises the MSEDCL to make such deductions and (ii) within one month from the date of these presents to expend the full amount of the said loan for the purchase of a PC or if the actual price paid is less than the loan, to repay the difference amount to the MSEDCL forthwith and (iii) to execute a document hypothecating the said PC to the MSEDCL as Security for the amount lent to the Borrower as aforesaid and interest thereon.

And it is hereby lastly agreed and declared that if the proof of utilization alongwith mortgage bond hypothecating PC to the MSEDCL within three months from the date of these presents or if the Borrower within that period becomes insolvent or quits the service of the MSEDCL, or dies, the whole amount of loan and interest accrued thereon shall immediately become due and payable.

In witness whereof the Borrower has hereunto set his hand the day and year first above written.

In the Presence of

- 1) Signature : _____
- 2) Name : _____
- 3) Address : _____

Signed : _____

By the said

- 1) Name : _____
- 2) Designation : _____
- 3) CPF No. : _____
- 4) Place of working : _____
- 5) Division : _____
- 6) Circle : _____
- 7) Zone : _____

ANNEXURE 'C'

Form of Mortgage Bond

(To be executed by the employee on Stamp Paper of appropriate value)

This indenture made this _____ day of the month of _____ of the year two thousand and _____ between _____ (herein after called the Borrower which expression shall include his legal representatives and successors) of the one part and the Maharashtra State Electricity Distribution Co.Ltd. (hereinafter called the MSEDCL which expression shall include its legal representatives, successors and assignees) of the other part witnesseth as under :-

Whereas the borrower has applied for and has been granted an advance of Rs. _____ (Rupees _____) to purchase a PC and whereas one of the conditions upon which the said advance has been granted to the Borrower is that the Borrower would hypothecate the said PC with the MSEDCL as security for the amount lent to the Borrower and whereas the Borrower has purchased with the amount or partly with the amount so advanced as aforesaid PC, configuration whereof are set out in the Schedule hereunder written.

Now therefore the Borrower doth hereby covenant to repay to the MSEDCL the sum of Rs. _____ (Rupees _____) aforesaid or balance thereof remaining unpaid at the date of these presents by monthly payment of Rs. _____ (Rupees _____) each on the first day of every month commencing from _____ and will pay interest on the sum for the time being remaining due and owing at the rate notified from time to time by the MSEDCL and the Borrower doth agree that such payments may be recovered by monthly deductions from his salary and in further pursuance of the said agreement the Borrower doth hereby assign and transfer to the MSEDCL the said PC by way of security for the said advance and the interest thereon.

And the Borrower doth hereby agrees and declares that he has paid in full the purchase price of the said PC and that the same is his absolute property and that he has not pledged, and so long as any moneys remain payable to the MSEDCL in respect of the said advance will not sell, pledge or part with the property in or possession of the said PC provided always that it is hereby agreed and declared that if any other said installments of principal or interest are not paid or recovered in manner aforesaid within ten days after the same are due or if the Borrower dies or any time ceases to be in the service of the MSEDCL or if the Borrower sells or pledges or parts with the property in or possession of the said PC or becomes insolvent or makes any composition or arrangement with the creditors or if any person takes proceedings in execution of any decree or judgement against the Borrower the whole of the said principal sum which shall then be remaining due and unpaid together with interest thereon calculated as aforesaid shall forthwith become payable and it is hereby agreed and declared that the MSEDCL may on the happening of any of the events hereinbefore mentioned seize and take possession of the said PC and either remain the possession thereof without removing the same or else may remove and sell the said PC either by public auction or private contract and may out of the same moneys retain the balance of said advance then remaining unpaid and any interest due thereon calculated as aforesaid and all costs, charges, expenses payments properly incurred or made in maintaining, defending and realising its rights hereunder and shall pay over the surplus, if any, to the Borrower, his executors, administrators or personal

representatives. Provided further that the aforesaid power of selling of the said PC shall not prejudice the right of the MSEDCL to sue the Borrower or his personal representatives for the said balance remaining due and interest or in the case of PC being sold the amount by which the net sale proceeds fall short of the amount owing, and the Borrower hereby further agrees that as long as any moneys are remaining and owing to the MSEDCL the Borrower will insure and keep insured the said PC against loss or damage by fire or theft with the Insurance Company and will produce evidence to the satisfaction of the above authority that the Insurance Company with whom the said PC is insured have received notice that the MSEDCL is interested in the Policy and the Borrower hereby further agrees that he will not permit, or suffer the said PC to be destroyed or injured or to deteriorate in a greater degree than, it would deteriorate by reasonable wear and tear thereof and further that in the event of any damage happening to the said PC the Borrower will forthwith have the same repaired and made good.

In witness whereof the said Borrower hath hereunto set his hand the day and the year first above mentioned.

In the Presence of

- 1) Signature : _____
- 2) Name : _____
- 3) Address : _____

Signed By the said : _____

- 1) Name : _____
- 2) Designation : _____
- 3) CPF No. : _____
- 4) Place of working : _____

SCHEDULE INDICATING CONFIGURATION OF THE PC HYPOTHICATED TO THE MSEDCL

Sr. No.	Description	Make	Capacity (If any)	Serial No. (If any)

Signed By the said : _____
Name : _____

representatives. Provided further that the aforesaid power of taking possession or selling of the said PC shall not prejudice the right of the MSEDCL to sue the Borrower or his personal representatives for the said balance remaining due and interest or in the case of PC being sold the amount by which the net sale proceeds fall short of the amount owing, and the Borrower hereby further agrees that as long as any moneys are remaining and owing to the MSEDCL the Borrower will insure and keep insured the said PC against loss or damage by fire or theft with the Insurance Company and will produce evidence to the satisfaction of the above authority that the Insurance Company with whom the said PC is insured have received notice that the MSEDCL is interested in the Policy and the Borrower hereby further agrees that he will not permit, or suffer the said PC to be destroyed or injured or to deteriorate in a greater degree than, it would deteriorate by reasonable wear and tear thereof and further that in the event of any damage happening to the said PC the Borrower will forthwith have the same repaired and made good.

In witness whereof the said Borrower hath hereunto set his hand the day and the year first above mentioned.

In the Presence of

- 1) Signature : _____
- 2) Name : _____
- 3) Address : _____

Signed By the said : _____

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- 2) Designation : _____
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SCHEDULE INDICATING CONFIGURATION OF THE PC HYPOTHICATED TO THE MSEDCL

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