

Ministry of Public Administration,  
Independence Square,  
Colombo 7.

22 November, 1985.

To: All Secretaries to Ministries ,  
Heads of Departments  
and Chairmen of Public Corporations.

Salary Advance to public officers and employees  
of public corporations who have suffered property  
damage and/or loss of movables as a result of  
disturbances that occurred between 1st August, 1984  
and 31st December, 1984

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A public officer (and where both spouses are public officers each such spouse separately) who has suffered property damage and/or loss of movables during the period between 1st August, 1984 and 31st December, 1984 (both dates inclusive), as a result of disturbances in the Districts of Anuradhapura, Badulla, Colombo, Galle, Gampaha, Kandy, Kegalle, Kurunegala, Matale, Nuwara-Eliya, Puttlam, Ratnapura and Trincomalee may be granted,

- (i) an advance upto a maximum of two years new consolidated salary (without allowances), to a confirmed public officer with a minimum of ten (10) years service as on the date of granting the salary advance; or
- (ii) an advance upto a maximum of one year's new consolidated salary (without allowances) to a confirmed public officer who has less than ten (10) years of service; subject to the following:-
  - (a) the amount of loan should be related to the extent of such damage or loss as proved to the satisfaction of the approving authority;
  - (b) the period of re-payment should not exceed 8 (eight) years;
  - (c) the interest should be 7.2 (seven decimal two) per cent per annum;
  - (d) two personal guarantors from among confirmed public officers should be provided;  
(The approving authority should satisfy himself that the two personal guarantors proposed are fit and proper persons in terms of the provisions in the Establishments Code)
  - (e) the amount of the advance and/or instalment should be so determined that the advance and interest can be fully recovered by the time the recipient reaches the age of 55 years;

(f) a public officer who is close to 55 years of age, may be granted the salary advance on an irrevocable undertaking that he will either settle the loan before retirement or, on retirement, he will commute his pension and authorise the Director of Pensions or the Head of Department to recover any outstanding balance from his commuted pension or the pension. The form shown in appendix 14 of the Establishments Code should be used for obtaining this irrevocable undertaking.

There is no objection to computing the re-payment instalment on the basis that the re-payment of the salary advance will be spread over a period of not more than 8 years;

and

(g) in the event of death/retirement under any circumstances before the age of 55, the advance and interest outstanding at the time of the event should be a first charge on the commuted pension and or gratuity of the officer concerned.

2.

(a) This salary advance is independent of and in addition to any loan already granted to a public officer or his spouse.

(b) the recipient and the guarantors are exempted from the 40% or the 33 1/3% deduction limits stipulated in F.R. 238 and Section 3, Chapter XXV of the Establishments Code.

(c) An officer who has already obtained a salary advance under Public Administration Circular 237 or 250 also may be paid the difference between the unrecovered balance and the amount he is eligible for under this circular, if he has suffered such a damage during the prescribed period.

3. Application for this salary advance may be made on the prescribed form, to reach the Head of Department concerned on or before 31.01.86. The specimen application form annexed to Public Administration Circular No.237 of 19.01.1984 should be used for this purpose.

4. The value of stamps to be affixed to the agreement and the surety bond are Rs.100 and Rs.10.00 respectively.

5. Provisions in paragraphs 4 to 12 of Public Administration Circular 237 of 19.01.1984 also will apply in respect of this advance.

Sgd:D.B.I.P.S.Siriwardhana  
Secretary,  
Ministry of Public Administration.