



## GOVERNMENT OF KERALA

### Abstract

Loans and Advances – Reintroduction of House Building Advance scheme to State Government Employees and Teachers – Sanctioned - Orders issued.

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### **FINANCE (LOANS) DEPARTMENT**

**G.O.(P)No. 505/2009/Fin. Dated, Thiruvananthapuram, 12.11.2009.**

Read: - G.O.(P) No.56/2002/Fin dated 16-01-2002.

### **ORDER**

Government have been sanctioning House Building Advance to Government Employees under the provisions in Article 244 of Kerala Financial Code (KFC) Vol. 1. This scheme was discontinued as a part of the additional economy measures ordered in the Government Order read above. Government Employees were constantly demanding the reintroduction of this scheme. In the Budget Speech 2009-10 it was announced that the House Building Advance to Government Employees would be reintroduced and detailed orders will be issued shortly.

After examining the matter in detail, Government are pleased to reintroduce the House Building Advance scheme to Government Employees in accordance with the provisions contained in Article 244 of KFC and amendments there after with the following further conditions:

1. Employees who own inhabitable home either in his/her name or in the name of spouse are not eligible for the Advance.
2. The applicant should have a minimum of 5 years completed service at the time of application.
3. The employees should have minimum 50 months of service left at the time of application.
4. Preference will be given to such applicants who have lesser service left for superannuation.
5. The admissible amount of loan shall be 50 times of basic pay subject to a maximum of Rs.10 lakhs.
6. The interest will be simple interest @ 8 % per annum.
7. Take over of existing bank loans shall not be allowed.

The House Building Advance will be limited only for purchase/construction of a house/ready built flat during the current financial year. The application should be in Form No.29 under Article 244 (c) of KFC.

The Head of the Departments (HODs) shall forward a statement of eligible applications in accordance with the Departmental seniority as per the conditions mentioned above in the prescribed proforma to Finance Department. Finance Department will prepare a state wise combined eligibility list from the eligibility list furnished by Head of the Departments. Furnishing of Department wise eligibility list by Head of the Departments and preparation of combined state wise eligibility list by Finance Department will be through web base computer processing. Government Orders sanctioning the HBA will be issued from Finance Department and allotment required for the same will be given to concerned Departments. The combined eligibility list will be prepared based on the budget provision ear marked to House Building Advance in each financial year.

When considering the joint applicants in respect of couple who are Government employees, the eligibility list will be prepared on the basis of the service of the spouse who have less service left. When considering the applications of those who have same remaining service, the weightage will be given to length of service.

The time frame for applying for House Building Advance is as follows.

- \* Time for submission of applications in respective offices by Government Employees/Teachers -May 1-15
- \* Time for furnishing applications to the Head of the Department -May 16-31
- \* Time for furnishing of the Department wise eligibility list by Head of the Department to Finance Department -June 1-30
- \* Time for preparing the combined inspection list by Finance Department -July 1-30
- \* Time for issuing Government Orders and giving allotment by Finance Department -Within August 15th

The application of Head of the Department & joint loan of employees serving in different departments will be processed and sanctioned in Finance Department. The application with required documents should be forwarded by any one of Head of the Departments under which the couples employed. Care should be taken to enlist their names in any one of the Departments only.

Incomplete or defective applications should not be included in the statement. Processing of applications shall be in accordance with the provisions in KFC. The form of application, details of required documents and the proforma to be forwarded by Head of the Department to the Finance Department is appended with this Order.

The HOD shall forward the details of eligible applications in the prescribed form as stipulated in Appendix III, before 31.12.2009 to Finance Department in the current financial year. The processing and sanctioning of HBA during this financial year shall be completed on or before 31<sup>st</sup> January 2010.

Necessary amendments to KFC will be issued separately.

BY ORDER OF THE GOVERNOR  
**DR. P.PRABAKARAN**  
ADDITIONAL CHIEF SECRETARY (FINANCE)

To

The Principal Accountant General (Audit), Kerala,  
Thiruvananthapuram.  
The Accountant General (A&E), Kerala, Thiruvananthapuram.  
All Heads of Departments and Offices.  
All Departments (All Sections) of the Secretariat.  
The Secretary, Kerala Public Service Commission (with C.L).  
The Registrar, University of Kerala/Cochin/Calicut/Kannur (with C.L).  
The Registrar, Mahatma Gandhi University, Kottayam (with C.L).  
The Registrar, Kerala Agricultural University, Thrissur (with C.L).  
The Registrar, Sree Sankaracharya Sanskrit University, Kaladi  
(with C.L)  
The Secretary, Kerala State Electricity Board (with C.L).  
The Managing Director, Kerala State Road Transport Corporation  
(with C.L).  
The Registrar, High Court of Kerala, Ernakulam (with C.L).  
All Principal Secretaries / Secretaries/ Special Secretaries/  
Additional Secretaries/Joint Secretaries/Deputy  
Secretaries and Under Secretaries to Government.  
The Secretary to Governor, Raj Bhavan (with C.L).  
The Principal Secretary to Speaker of the Legislative Assembly.  
The Private Secretaries, Chief Minister and other Ministers.  
The Private Secretary to Leader of Opposition.  
The Joint Secretary to the Chief Secretary.  
The Director of Public Relations, Thiruvananthapuram.  
The Director of Treasuries, Kerala, Thiruvananthapuram.  
The Registrar, Kerala Lok Ayukta.  
The Ombudsman for Local Self Government Institutions.  
The Secretary to Governor.  
The Additional Secretary to Chief Secretary.  
The Stock file/Office Copy.

Forwarded / By Order



Section Officer

**APPENDIX - I**  
**K.F.C. Form No. 29**  
**(See Chapter IX Article 244 C)**

Application for Advance to Government Employees for building, completing, extending, purchasing or repairing a house or for purchasing a house-site and constructing a house thereon

1. Name of the applicant (s) ...
2. a) Date of birth ...  
b) Date of Superannuation / Retirement ...
3. Official Designation ...
4. a) Monthly substantive pay / officiating pay ...  
b) Dearness Pay, if any ...
5. a) Amount of advance asked for ( in words ...  
as well as in figures) ...  
b) Rate of repayment of the advance proposed ...  
c) No.of instalments of the repayment proposed ...
6. Name of Treasury from which payment is desired...
7. a) Purpose of the advance (in the case of ...  
purchase of a house with site/house site,  
the name and address of the person from  
whom the property is proposed to be  
purchased also should be specified) ...  
b) Survey No. of the land and extend ...  
c) Village, Taluk and District in which the land  
is situated ...
8. a) Approximate value of the house, house with ...  
site / house site proposed to be purchased ...  
b) Estimated cost of construction, completion ...  
extension or repair of the house ...
9. If it had already been purchased, completed, ...  
extended or repaired the date on which it was  
effected ...
10. If any advance(s) had been drawn ...  
previously by the applicant (s) ...  
a) The number (s) and date (s) of the Gover- ...  
nment orders sanctioning it them; and ...  
b) 1) Whether it / they are in the course of ...  
repayment, and if so ...

- i) the amount already repaid, ...
  - ii) the balance due, ...
  - iii) the number of the instalment last repaid, and ...
  - iv) the rate of the repayment effected; or ...
2. Whether it/they was/were finally adjusted, if so; the date (s) on which the final adjustment (s) was/were effected ...
11. Details of the security proposed to be furnished ...
12. Details of the collateral security proposed to be furnished (Kerala State Insurance Policy/ Life insurance Corporation Policy /Gratuity/ D.C.R.G. etc) ( in respect of the insurance policy, furnish also the policy number and the sum insured) ...
13. Title of the applicant (s) to the land upon which the house which is proposed to be/ is built, completed, extended or repaired stands ...
14. Whether the Certificate as required in the rules, from the Executive Engineer / Assistant Engineer of the P.W.D (B&R) having jurisdiction over the area in which the house is situated, is attached (give name and designation of the officer) ...
15. a) Whether Title Certificate from the Government pleader, is attached ...
- b) Whether Possession Certificate from the Tahsildar having jurisdiction of over the area, is attached ...
- c) Whether Encumbrance Certificate in respect of the land for twelve years, from the Sub-Registrar is attached ...
- d) Whether Location Certificate from the Village Officer concerned and the plan of the proposed building are attached (to be retained by the Head of the Department) ...

16. If the applicant (s) had already drawn or applied for any loan / advance under any other Housing Scheme sponsored by the State / Central Government ...
- a) The amount of the loan/advance already drawn / applied for, ...
- b) The scheme under which loan/advance drawn / applied for, and ...
- c) The number and the date of the sanction issued by the Government or the date of the application for the loan / advance ...
17. a) The designation of the Officer who has to sign the bill claiming the advance ...
- b) The designation of the Officer who has to countersign the bill ...

#### DECLARATIONS

1. I/We hereby bind myself/ourselves to use the advance for the purposes. I/We have applied for and in strict compliance with the rules in this respect laid down in the Kerala Financial Code and orders issued by Government from time to time.

2. I/We do hereby declare that surplus of the advance, if any, will be refunded to Government immediately after the work / transaction is over.

3. I/We also hereby agree to adjust Rs. .... (Rupees.....) of the advance from the gratuity / D.C.R. gratuity admissible to me/us.

4. I/We also hereby agree to assign Rs. .... (Rupees.....) from the gratuity / D.C.R. gratuity admissible to me/us as collateral security.

5. I hereby declare that I do not already own a house any where in the country either in my name or in the name of my wife/husband/minor children/we do hereby declare that we do not own a house anywhere in the country either in the name of any of us or in the name of our minor children.

6. I/We solemnly declare that the information furnished against the various items indicated above is true to the best of my/our knowledge and belief.

Station:

Date :

Signature of the Applicant (s)

(To be furnished by Official Superior/ Head of Department /Board of Revenue)

I consider that the advance asked for is actually required for building, completing, extending, purchasing or repairing a / the house or for purchasing a / the house-site and constructing a house thereon for the personal residence of the applicant (s) and that the applicant (s) deserves such assistance.

I also consider that the security offered is sufficient for the advance asked for\*

I therefore, recommend that an advance of Rs. .... (Rupees... ..) may be granted to the applicant (s) without risk to Government.

(Strike out the item whichever is inapplicable)  
(To be furnished by the Accountant General)

I hereby certify that as per this office records no advance was drawn previously by the applicant(s)

I hereby certify that as per this office records the advance drawn previously by the applicant(s) per G.O.....dated.....is in the course of repayment / was fully adjusted in .....

I hereby certify also that the information furnished against items 2, 4, 10 and 12 (item 12 with regard to gratuity / death-cum-retirement gratuity only) has been duly verified and found correct.

Accountant General

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1. This clause shall be omitted in the case of application for purchasing a house with site.
2. Action shall be taken simultaneously in such case to get the property valued by Public Works Department and Revenue department as provided in Article 244.

I certify that the amount of gratuity / death-cum-retirement gratuity due to the applicant (s) on the date of his/her/their superannuation (at the time of retirement calculated on the basis of the appointment held by the applicant (s) at the time of submitting the application) is estimated to be Rs.....(Rupees .....) and that the applicant(s) is / are governed by the Kerala Service Rules / All India Service Rules.

Station:

Date :

Dated Signature of the Official Superior/  
Head of Department /Board of Revenue

## **APPENDIX - II**

1. The applications should be verified at the time of its receipt itself to ensure that it is perfect. Incomplete applications should be returned immediately for rectification. The date of receipt of application should be the date on which a perfect application with all required documents is received by the Head of Office where the applicant is/was working at the time of submitting the application. The Head of Office should mark his signature at the space provided in the application with date.
2. A perfect application should contain the following documents :-
  - a. All columns in the application should be duly filled-in and signed by the applicant
  - b. The following documents should be attached to the applications:-
    - i. Location, Possession, Encumbrance and Title Certificates (in the prescribed form, from the District Government Pleader/Additional Government Pleader having jurisdiction ) of the property
    - ii. The original deed
    - iii. Plan and Estimates of the proposed building approved by the Executive Engineer, PWD Buildings Division having jurisdiction
    - iv. The DCRG/Service Certificates of the applicants duly prepared and signed by the Head of Office / Department. The DCRG is to be calculated by using the formula
$$\text{DCRG} = \frac{\text{Present pay} \times \text{No. of years of total service}}{2}$$

Joint loan applications relating to applicants of same department need not be forwarded to Government. Such cases may be included in the statement being forwarded to Government for funds.

Joint loan application pertaining to applicants of different departments should be forwarded to Government for sanction, after observing the following formalities:-

1. Application should be verified, recommended and countersigned by both the heads of Departments (dated signature is essential).
2. The Service Certificate in Form No. 37 of KFC and DCRG Certificate of both the applicants should be prepared separately and countersigned by the concerned Head of the Department.
3. All required documents such as Location, Possession, Encumbrance and Title Certificates, the Deed, Plan, Estimate etc. should be attached with the application.



APPENDIX-III

DETAILS OF ELIGIBLE HBA APPLICANTS

Department Name:.....

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Office in which working	Name of Employee & Designation, e-mail, Mobile Number if any	PEN (if any)	SDO Code (for Gazetted Officers)	Date of Birth	Date of entry in service	Period of continuous service as on date of application Year, Months, Days	Date of superannuation	Basic Pay as on 31st March	Purpose of Advance Construction(c)/Purchase(p) (C/P)	Estimated cost of construction	Amount of advance applied for with no. of instalments (principal)	No. of instalments (Interest)	Joint/ single loan (S/J)	Eligible Amount of Advance	Name of Treasury from which Advance to be drawn	Whether All Documents stated in Appendix II of the G.O are received (Y/N)	Whether Recommended for Sanction (Yes/No)		

Place:

Date:

Office Seal

Name & Designation of HOD/  
Sanctioning Authority

\*May be prepared in accordance with the Departmental Seniority as per the conditions mentioned in the G.O.....

\*\* The principal shall be repaid first and interest afterwards but both before retirement

\*\*\*If Joint Loan the eligible amount is calculated after adding basic pay of both parties subject a maximum of Rupees 10 lakhs

\*\*\*\*In the case of Joint Loan the name of Employee who have to receive the loan amount on behalf of both shall come first in Column No.3