



ABSTRACT

Loans and Advances – House Building Advance – Migration of home loans taken by the Government servants from Banks / other Financial Institutions to House Building Advance - Guidelines and amendment to Rule 3 of "State Rules to Regulate the Grant of Advances to Government Servants for Building Etc., of Houses" - Issued.

HOUSING AND URBAN DEVELOPMENT (HBA.) DEPARTMENT

G.O.(Ms.)No.26

Dated: 02.02.2021

சார்வரி வருடம், தை – 20

திருவள்ளூர் ஆண்டு 2052

Read: -

1. Government of India O.M. No.1/ 17011/ 11(4)/ 2016-H-III, dated 31.01.2018.

Read also: -

2. G.O.(Ms.)No.24, Housing and Urban Development (HBA) Department, dated 02.02.2021.

= = = = =

ORDER: -

The Government of India in Office Memorandum first read above, have issued conditions / clarification on migration of interest bearing advances taken by the existing Government Employees for Home Loans from Banks / other Financial Institutions, based on the recommendation of the Seventh Central Pay Commission.

2. In the Government order second read above, the Government have enhanced the ceiling of House Building Advance to All India Service Officers from Rs.40,00,000/- to Rs.60,00,000/- and to State Government Employees from Rs.25,00,000/- to Rs.40,00,000/- respectively for the following:-

- (i) Partly for purchase of land and partly for construction of a house thereon, (or)
- (ii) for the construction of a house, (or)
- (iii) for purchase of a Ready Built House / Flat.

3. In this connection, there are repeated requests from the employees to allow them to migrate their loans availed from other financial institutions to the house building advance sanctioned by the Government.

4. The Government, after careful consideration of the above requests of the employees, have decided, in consonance with the order of Government of India in the Office Memorandum first read above, to allow the existing employees, who have already taken Home loans from Banks and other financial institutions, to migrate to House Building Advance subject to fulfillment of the following conditions:-

- a) Before granting such House Building Advance, the Sanctioning Authorities,
 - i. Should satisfy himself that the home loans were taken by the Government employee entirely for purpose of construction/ purchase of new house/ flat.
 - ii. Should ensure that the House Building Advance sanctioned is limited to the amount of loan still due to be repaid by the Government employee.
- b) House Building Advance can be availed towards repayment of bank loan taken for the purpose of construction/ purchase of new house/flat.
- c) Employee shall be eligible for grant of House Building Advance as per these Rules, on the date he/she obtained loans from banks and other financial institutions irrespective of whether they applied for House Building Advance before raising the loan.
- d) House Building Advance for repayment of loans shall be granted to the eligible employees in one lump sum. However, the Government employee shall produce the House Building Advance Utilization Certificate within one month from the date of release of House Building Advance.
- e) Employee has to satisfy the other provisions of the " State Rules to Regulate the Grant of Advances to Government servants for Building Etc., of Houses".

5. The following amendment is issued to Rule 3 of "STATE RULES TO REGULATE THE GRANT OF ADVANCES TO GOVT SERVANTS FOR BUILDING ETC., OF HOUSES"

AMENDMENT

In the notes under Rule 3, the following may be added as (vi)

- (vi) The advance may also be sanctioned for migrating Home loan taken from Banks or other financial institutions, subject to fulfillment of following conditions:-

- a) Before granting such House Building Advance, the Head of the Department,
- I. Should satisfy himself that the home loans were taken by the Government employee entirely for purpose of construction/ purchase of new house/ flat.
 - II. should ensure that the House Building Advance sanctioned is limited to the amount of loan still due to be repaid by the Government employee.
- b) House Building Advance can be availed towards repayment of bank loan taken for the purpose of construction/purchase of new house/flat.
- c) Employee shall be eligible for grant of House Building Advance as per these Rules, on the date he/she obtained loans from banks and other financial institutions irrespective of whether they applied for House Building Advance before raising the loan.
- d) House Building Advance for repayment of loans shall be granted to the eligible employees in one lump sum. However, the Government employee shall produce the House Building Advance Utilization Certificate within one month from the date of release of House Building Advance.
- e) Employee has to satisfy the other provisions of these Rules.

6. All other conditions / orders in force shall be followed for sanction of the House Building Advance.

7. This order issues with the concurrence of Finance Department vide its U.O.No.33/SS(PK)/2021, Finance (Hg.&UD.) Department, Dated 01.02.2021.

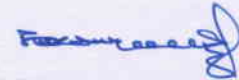
(BY ORDER OF THE GOVERNOR)


D. KARTHIKEYAN
PRINCIPAL SECRETARY TO GOVERNMENT.

To
All Additional Chief Secretaries / Principal Secretaries /
Secretaries to Government, Secretariat, Chennai-600 009.
All District Collectors.
All Heads of Departments.
All Departments of Secretariat, Chennai-600 009.
The Registrar General, High Court of Madras, Chennai-104.
The Accountant General-I, Chennai-600 018.

The Accountant General-I, Chennai-600 018. (By name)
The Accountant General (A&E), Chennai-35.
The Accountant General (A&E), Chennai-35 (By name)
The Accountant General (CAS), Chennai-600 009.
The Secretary to Chief Minister,
Office of the Chief Minister, Chennai-600 009.
Office of Deputy Secretary to Deputy Chief Minister, Chennai-600 009.
The Principal Private Secretary to Chief Secretary to Government,
Secretariat, Chennai-600 009.
The Private Secretary to Additional Chief Secretary to Government,
Finance Department, Chennai-600 009.
The Private Secretary to Principal Secretary to Government,
Housing & Urban Development Department, Chennai-9.
All Treasury Officers.
The Pay and Accounts Officer (North), Chennai-600 001.
The Pay and Accounts Officer (South), Chennai-600 035.
The Pay and Accounts Officer (East), Chennai-600 008.
The Pay and Accounts Officer (Secretariat), Chennai-9.
The Pay and Accounts Officer (High Court), Chennai-104.
All the Public Sector Undertakings / Boards.
The Finance (Housing/LA cell/Salaries) Department, Chennai-9.
The Secretary, Tamil Nadu Public Service Commission, Chennai-600 003.
The Legislative Assembly Secretariat, Chennai-600 009.
All sections in Housing and Urban Development Department,
Secretariat, Chennai-9.
Copy to:
The Technical Director,
National Informatics Centre,
Secretariat, Chennai-9.
(with Soft Copy to upload the G.O. in Tamil Nadu Government
Housing and Urban Development Department's website)
Stock file / Spare Copy.

// FORWARDED / BY ORDER //


SECTION OFFICER.


27/2/21