

GOVERNMENT OF HIMACHAL PRADESH
FINANCE (REGULATIONS) DEPARTMENT

NO.FIN(C)A(3)- 5/2009

Dated Shimla-171002, the 3rd February, 2011.

OFFICE MEMORANDUM

SUBJECT:- HOUSE BUILDING ADVANCE TO GOVT. SERVANTS TO ACQUIRE FLATS/HOUSES THROUGH MEMBERSHIP OF CO-OPERATIVE GROUP HOUSING SOCIETIES AND FROM PRIVATE BUILDERS.

The Undersigned is directed to say that the matter regarding grant of House Building Advance to state govt. employees to purchase flats /houses through membership of Co-operative Group Housing Societies and from Private Builders was inviting the attention of the State Govt. in view of the present trend in cities of purchasing flats/houses from private builders. After careful consideration, it has been decided at Govt. level that House Building Advance may be granted to the State Government employees who are members of such societies or intend to buy house from private builders/housing Companies, etc. but can not mortgage the same to the Govt. because of the fact that these houses/flats being constructed are not completed/ready for possession without the necessity of mortgaging the land/ and or/ building where such flats/houses are situated. The House Building Advance shall be granted subject to the following conditions:-

1. The applicant-State Government servant shall execute a Personal Bond and also furnish a Surety Bond. The Surety Bond shall be executed jointly by two sureties who are permanent govt. servants of adequate status having sufficient length of service upto the period of recovery of the advance alongwith interest from the loanee. The surety bond should not be of husband or wife or member of the same joint family and as far as practicable, should not have stood surety for anybody else.
2. The amount of advance shall not exceed 34 months' Basic+ Dearness Pay in the pre-revised scale of the government servant or the anticipated cost of house or the repaying capacity (number of years left for retirement) of the govt. servant whichever is least, subject to the condition that maximum amount of Housing Building Advance shall not exceed Rs.7.50 Lakh.

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3. The amount of advance shall be granted in 2 instalments i.e. 50% of the advance sanctioned shall be payable to the applicant on his executing necessary documents.
 4. The remaining amount of 50% of the total sanctioned advance shall be disbursed in suitable instalments as fixed by the sanctioning authority at the time of issue of sanction, on the basis of payment schedule of the flat/house furnished by the concerned Co-operative Society/ Private Builder/ Housing Companies, etc. For each disbursement, the employees will produce a demand letter from the Housing Society/Private Builder/ Housing companies, etc. indicating the progress of construction, the correctness of which may be verified by the sanctioning authority by arranging inspection of the premises in term of HBA Rules.
 5. Original Agreement between the Housing Society/Private Builder / Housing Companies. etc. applicant Government servant, the share certificates issued by the Society/Private builders/ Housing Companies. etc, the letter from them allotting the flat/house to the member/buyer and original receipts for payment made to the Society/Private builder should be produced for verification.
 6. A certificate to the effect that the Co-operative Group Housing Society/ Private Builder/ Housing Companies. etc is registered with the Registrar of the Co-operative Societies of the concerned State, as the case may be, should also be obtained.

Other terms and conditions for grant of House Building Advance shall be the same as in force at present and as amended from time to time.

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Principal Secretary(Finance)to the
Government of Himachal Pradesh.
SM

To

All the Administrative Secretaries
Govt. of H.P.

NO.FIN(C)A(3)- 5/2009 Dated Shimla-171002, the 9th February, 2011

1. All Head of Departments in Himachal Pradesh.
2. The Accountant General(Audit) H.P.Shimla-171003.
3. The Sr. Dy. A.G.(A&E), H.P.Shimla-171003.