

SOUTH CENTRAL RAILWAY

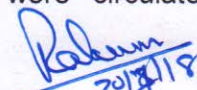
Headquarters Office
Personnel Branch
Secunderabad.
Date: 20.07.2018

No. P[R]23/V

ALL CONCERNED

PERSONNEL BRANCH SERIAL CIRCULAR No. 134/2018

Copy of Board's letter No. F(E)Spl./2008/ADV.3/6 (7th CPC) dated 13.07.2018 is forwarded for information, guidance and necessary action. Board's letters dated 05.12.2017, 28.03.2018 and 27.04.2018 quoted therein were circulated under S.C. Nos.206/2017, 69/2018 and 86/2018, respectively.


[K.RAVI KUMAR]
Secy. to PCPO

For Principal Chief Personnel Officer

Copy of Board's letter No. F(E)Spl./2008/ADV.3/6 (7th CPC) dated 13.07.2018 [RBE No.101/2018]PC VII No.108

*Sub: Grant of Advances- Seventh Central Pay Commission
recommendations- Amendment to rules on House Building
Advance (HBA) to Railway servants*

Please refer to this Ministry's letter of even number dated 05.12.2017 on the above cited subject, vide which, the revised rules relating to the grant of House Building Advance (HBA) as issued by Ministry of Housing & Urban Affairs (Housing-III Section) vide their OM No.I-17011/11(4)/2016-H-III dated 09.11.2017 pursuant to acceptance of 7th CPC recommendations, were mutatis-mutandis made applicable to Railway employees.

2. Further clarifications were issued vide this Ministry's letter of even number dated 28.03.2018 and 27.04.2018.

3. Ministry of Housing & Urban Affairs vide their OM dated 29.06.2018 have now issued instructions regarding applicability of rules contained in their OM dated 09.11.2017 with effect from 01.01.2016 and enhancement of House Building Advance (HBA) in those cases which were sanctioned on or after 01.01.2016 but before 09.11.2017 and these are subject to conditions mentioned in their letter of 29.06.2018. A copy of the same is sent herewith, which shall be applicable mutatis-mutandis on the Railways.

sd/-
[Priya Sudarsani]/JDF[E]

Copy of Ministry of Housing & Urban Affairs' OM No.I-17011/11(4)/2016-H-III dated 29.06.2018

*Sub : Interest bearing advances / Seventh Central Pay commission
recommendation on House Building Advance – enhancement in
past cases regarding.*

The undersigned is directed to invite attention to this Ministry's OM No. I-17011/11(4)/2016-H-III dated 09.11.2017 on the above-mentioned subject and to say that it has been decided in consultation with Ministry of Finance to make the aforesaid orders applicable with effect from 1st January, 2016. Accordingly, it has been decided that an enhancement of House Building Advance, if applied for, would be granted to government employee for an amount equivalent to the difference

between the previously sanctioned amount and the new eligible amount determined on the basis of basic pay as per 7th CPC, in past cases, where HBA was sanctioned on or after 01.01.2016 but before 09.11.2017 subject to complying following conditions:

- a) The Government employee should not have drawn the entire amount of HBA sanctioned under earlier orders and/ or where construction is not completed/full cost towards acquisition of house/ flat is yet to be paid.
- b) There will be no deviation from the approved plan of construction on the basis of which the original sanction of House Building Advance was accorded. The revised cost of the original plan can, however, be considered for determining the additional amount, subject to the prescribed maximum limits.
- c) Supplementary Mortgage Deed, Personal Bond and Sureties will be drawn and executed at the expense of the loanee.
- d) The actual entitlement will be restricted to the repaying capacity computed on the basis of the formula laid down in this Ministry's OM No I-1701/1/11(4)/2016-H.III dated 09.11.2017. It should be ensured that the entire amount of advance with interest is recovered before retirement of the Government servant.
- e) **Rate of interest:** The rate of interest will be at 8.50% from the financial year 2017-18 onwards. This will be reviewed every three years to be notified in consultation with Ministry of Finance. However, the new rate of interest would be chargeable only on collective amount that would remain outstanding on grant of enhancement of HBA. i.e., the unpaid portion of previously sanctioned HBA plus the enhancement so granted. Thus the amount of HBA that has already been repaid on old rates will not attract the fresh interest charges.

2. However, the existing limit of maximum admissible amount of Rs. 25 lakhs for the purpose of construction/ purchase of new house/ flat and Rs. 10 lakhs for expansion of existing house/ flat would remain unchanged. In other words, the sum total of previously, sanctioned House Building Advance and the enhancement granted under these orders cannot exceed the aforesaid limits. In any case, not more than one enhancement is admissible to a Government employee.

3. The applications for enhanced House Building Advance should be submitted within six months from the date of issue of this order.

4. Ministries/ Departments with branch offices in the far-flung areas are be advised to give wider publicity to these orders through modern communication means so that there is no occasion for any representation for extending the time limit of six months on the grounds of late receipt of these orders.

5. This issues in supersession of all the earlier orders on the subject.

sd/-
[Shailendra Vikram Singh]/Director[IFD]

INDEX No. 1039 HOUSE BUILDING ADVANCE	S.C.No.
Board have issued instructions regarding enhancement of House Building Advances in past cases sanctioned on or after 01.01.2016 but before 09.11.2017, subject to the conditions stipulated therein.	134/2018