

Copy of:

GOVERNMENT OF TAMIL NADU

ABSTRACT

Loans and Advances - Sanction of Additional Advance to complete construction of house to complete enlargement/improvement of House - Dispensing with the system of additional advance - Orders - Issued.

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HOUSING AND URBAN DEVELOPMENT (BNA I) DEPARTMENT

G.O.Ms.No.260

Dated : 11-3-1994.

Read:

1. G.O.Ms.No.1546 (Housing) Industries, Labour and ~~Co-operation~~ Co-operation (bg) dt. 23-3-60.
  2. G.O.Ms.No. 960 Department of Labour (Hg) dt. 3.12.69.
  3. G.O.Ms.No.259 Housing and Urban Development Dept., dt.27.9.84.
  4. Govt. Lr.No.38598/HBA I(1)/92-5 dt. 22.2.94.
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ORDER:

According to Rule 4(a) of the State Rules to regulate the grant of advances to Government servants for building etc., of houses, not more than one advance shall be sanctioned to a Government servant during his entire service, provided that when the construction of a house for which an advance granted under Rules 3(a) could not be completed due to the increase in the cost of materials and labour and the Government servant requires financial assistance from Government to complete the work, one additional advance to complete construction of the house may be sanctioned, similarly, as per Rule 4(a) (ii) where the enlargement/improvement of accommodation for which an advance was granted under Rule 3(b) could not be completed due to the increase in cost of materials and labour and the Government servant required financial assistance from Government to complete enlargement work, one additional advance to complete the enlargement/improvement of living accommodation in the house may be sanctioned.

2. As per proviso (iv) to Rule 4(a) where the enlargement/improvement of the accommodation constructed out of the advance sanctioned for the enlargement/improvement purposes for the first time is found insufficient at a later date, an advance for the second time may also be sanctioned for enlarging/improving the living accommodation in that house, subject to the condition that, in all the above cases, the sum total of the advances so far sanctioned should not exceed the maximum ceiling limit on the amount of advance.

3. Thus a Government servant is eligible for:-

- i) Sanction of advance for construction of house,
- ii) Sanction of additional advance for completion of house construction of which was taken with the House Building advance mentioned in item (i) above.,

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- iii) Sanction of advance for enlargement/improvement.
- iv) Sanction of additional advance for completion of enlargement/improvement taken up with the advance mentioned in item (iii) above, and
- v) Sanction of advance for second improvement/enlargement.

4. A Government servant is eligible for grant of an advance not exceeding 75 months pay which includes Basic pay, Rs.2,50,000/- a for the purchase of land and for construction of house or for the purchase of ready built house/flat, or for the construction of house only and Rs.1,00,000/- for enlargement/improvement of the existing living accommodation, subject to overall ceiling of Rs.2,50,000/-

5. According to rules in force, a Government servant who has been sanctioned house building advance, the construction of house or enlargement of the living accommodation in the existing house, shall be completed within 18 months from the date on which the first instalment of advance is paid to the Government servant. Failure to do so, will render the Government Servant liable to refund the entire amount advanced to him in one lumpsum.

6. Representation were received that, when a Government servant has applied for additional advance for completion of the construction of house/completion of enlargement of living accommodation, completion certificate should not be insisted.

7. While considering this suggestion, the question of dispensing with the sanction of additional advances for completion of construction of house/for completion of enlargement of living accommodation has been examined by the Government.

8. The amount of advance sanctioned to Government servants is computed and sanctioned with reference to the approved plan and estimates furnished by the Government servants, subject to the repaying capacity arrived at, on the basis of their pay and Dearness Allowance drawn by them.

9. At present there is a time lag of 2 to 4 years between the date of application for sanction of House Building Advance, and actual date of sanction of advance, during which period, the cost of the inputs escalates, thereby forcing the Government servants to apply for additional advances. During this time-lag, the repaying capacity of the Government servants also increase due to increase in their emoluments. In order to obviate the need for applying for additional advances by the Government servants due to the escalation in the cost of inputs, the Government have decided that latest pay details of the applicants together with the revised estimates may be obtained at the time of sanction of the advance for construction of house and for enlargement/improvement, so that Government servant is sanctioned the maximum House Building Advance for which he is eligible at the time of sanction itself taking into account their repaying capacity and to dispense with the sanction of additional advances for completion of construction of houses and completion of enlargement/improvement in the existing living accommodation.

10. The Government have also decided that the scheme of sanction of advance for second enlargement/improvement may also be dispensed with audit may be left to the Government servants concerned to take up the second enlargement/improvement by themselves.

11. Accordingly, Government direct that the latest pay details of the applicants together with latest estimates be obtained at the time of sanction of advance for construction of house and for enlargement/improvement so that the Government servants are sanctioned the maximum House Building Advance to which they are eligible with reference to their repaying capacity in terms ~~and eligible with reference~~ of their pay at the time of sanction itself. They also direct that the sanction of additional advances for completion of construction of house and completion of enlargement/improvement for the existing living accommodation and also sanction of advance for second enlargement/improvement be dispensed with.

12. This order issued with the concurrence of Finance Department's U.O.No. 6928/PS/P/93 dated 27.12.93.

/BY ORDER OF THE GOVERNOR/

L.N.VIJAYARAHAVAN,  
Secretary to Government.

/ True copy /

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R.F. 19/95(2371/94) Actt. Dt. 11/2/1995.

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Sd/x(P.Padmanabhan)  
Director.

Copy to all Faculty Members.

Copy to S.F. of Accountants

/forwarded/by order/

*[Handwritten signature]*  
MAVA GER.  
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