

**House Building Advance**

**1. For purposes of facilitating the NCC Central Govt Civilian Employees for Purchasing of plot and construction thereon, Purchase of a new ready built house/flat, enlarging/renovating living accommodation, Construction of a new house on the plot owned by the official or the official and the official's wife/husband jointly "House Building Advance" is admissible subject to fulfillment of the eligibility criteria and conditions applied at the time of sanction of HBA.**

**Conditions to be fulfilled**

**2. The cost of the house to be built/purchased (excluding the cost of the plot) should not exceed 134 times (the Basic Pay + DP + Stagnation Increment) of the Govt servant subject to minimum of Rs. 7.50 lakhs and a maximum of Rs. 18 lakhs.**

**3. In individual cases, if the Administrative Ministry is satisfied on the merits of the case, the cost ceiling may be relaxed up to a maximum of 25%.**

**4. The official should not have availed of any loan or advance for the purpose from any other Govt. source viz., State Housing Board, etc. However, an official can apply for advance under HBA Rules if he undertakes to repay the outstanding loan/advance with interest in one lumpsum.**

**5. If the official makes a final withdrawal from his GPF for this purpose, the total amount of the advance and final withdrawal should not exceed the limit in 1 above.**

**6. The official or the official's wife/husband/minor child should not already own a house in the town/urban agglomeration where the house is proposed to be constructed or acquired with the advance from Government. If, however, the official is a member of HUF which owns a house at the same place, he may be granted advance under these rules but the amount will be restricted to 60% of the normal entitlement.**

**7. The title to the land should be clear; the land may be owned by the official or by the official and official's wife/husband jointly.**

**8. If the advance is for purchase of ready built house/flat from private parties, the house/flat should be new and unlive in and the applicant should get it valued at his cost by registered valuers.**

**9. If the advance is for enlarging living accommodation in an existing house, the total cost of the existing structure (excluding the cost of land) and the cost of proposed addition/expansions should not exceed the limit in 1 above.**

**10. If the advance is for constructing residential part of the building on a shop-cum-residential plot situated in a residential colony-**

**(a) The cost of land and the cost of superstructures of the proposed residential portion and shop(s) should not exceed the ceiling limit.**

**(b) The entire property including the shop(s) and the residential portion should be mortgaged.**

**(c) The entire building including the shop(s) should be insured against fire, lightning, floods, etc.**

**11. The house/flat constructed/acquired should be used only for residential purposes and using it in any other manner will be violation of the conditions for grant of HBA.**

**12. A reconveyance deed as per proforma at Appendix 'A' on the stamp paper as applicable in each state shall be signed by the govt employee.**

### **13. Recovery**

**The entire amount of advance together with interest is repayable in 20 years, 180 montly instalments for principal and 60 instalments for interest. The official may elect to repay in a shorter period.**

### **14. Interest**

**The advance carry simple interest from the date of payment of the first inslatment and is calculated on the balance outstanding on the last day of each month. No interest is chargeable beyond the date of retirement/death of the Govt servant. Presently, the rate of interest varies from 5.0% to 9.5% depending upon the amount of loan sanctioned.**

Appendix 'A'

GRANT OF ADVANCE FOR THE PURCHASE OF LAND OR  
PART/FULL CONSTRUCTION, ENLARGEMENT,  
ETC., OF A HOUSE

APPLICATION FORM  
(To be filled by the applicant)

GENERAL

- 1. Name (in Block Letters).....In Ministry/Office.....
- 2. Post held (i) Permanent.....In Ministry/Office.....  
(iii) Temporary/Offig .....In Ministry/Office.....  
(iv) Length of service on the date of application  
.....
- 3. Present pay as defined in Rule 4 (b) and Scale of Pay.....
- 4. Date of Superannuation .....
- 5. Amount of Provident Fund /any other advance/final withdrawal taken  
for purchase of land/construction (an attested copy of sanction to be  
enclosed).....

PARTICULARS RELATING TO ADVANCE:

7. If advance is needed for purchase of a plot and/or for construction of a  
new house, please give the following information:-

8. (a) Plot

Location	Rural/	Is it clearly	Appro-	(a) Cost	If not	Unexpired
with	Urban	demarcated	ximate	(b) Amount	purchased	portion of
address	and	area (in	actually	when	lease if	
		developed	sq. mtrs.)	paid	proposed	not
						to be freehold
						acquired

1 2 3 4 5 6 7

**(b) Construction**

Floor wise area to be constructed (sq mtrs.)	Estimated Cost	Amount of advance required (for land/ construction/both)	No. of Installments for repayments
8 9 10 11			
G. Floor			
I Floor			
II Floor			

9. If advance is required for enlarging the existing house, please state--

Location with address	Plinth area for proposed construction/ enlargement (in sq. mtrs)	Plinth area of existing house	Cost of construction/ enlargement (2+3)	Cost of Plinth (4+5)	Total Cost (4+5)	Total Amount of advance required (2+3)	No. of Installments for repayments

[Note. –If the enlargement is proposed on any floor other than ground floor, a certificate from an approved Engineer to the effect that foundation of the existing structure can safely take the load of the proposed enlargement, should be enclosed.]

10. If advance is required for purchase of a ready-build house/flat, please state:-

Location with address	Plinth area (in sq. mts.)	When constructed	Price settled from whom	The agency (a) already purchased	Amount paid to (b)	Amount already advanced for (b) to be paid	No of installment required for repayment

1 2 3 4 5 6 7 8  
(a)

(b)

MISCELLANEOUS

11. If you or any dependent member of your family already own(s) a house, please state--

Location with address	Plinth area (Floor- wise)	Present fair market value	Reasons for acquiring another Rs.	house or enlarging the existing house
1	2	3	4	

12. Have you enclosed – (a) the relevant construction plan approved by the Municipal Authority concerned; and (b) detailed construction estimates based on Central/State PWD Schedule, prevailing in the area corrected as per relevant cost of Index duly signed by qualified Engineer.

DECLARATION

1. I solemnly declare that the information furnished by me in reply to the various items indicated above is true to the best of my knowledge and belief.

2. I have read the rules regulating the grant of advances to Central Government servants for purchase of land and purchase/construction of building, etc., and agree to abide by the terms and conditions stipulated therein.

3. I certify that --

- (i) My wife/husband is not a Central Government servant/my wife/husband who is a Central Government servant, has not applied for and/or obtained an advance under these rules;
- (ii) Neither I nor my wife/husband/minor child has applied for and/or obtained any loan from any Government source (e.g., Ministry of Rehabilitation or under any Central or State Housing Scheme);
- (iii) The construction of the house for which the advance has been applied for, has not yet commenced.

Station ..... Signature of the Applicant .....

Dated ..... Designation.....  
Department/Office in which employed

**FORM OF AGREEMENT TO BE EXECUTED AT THE TIME OF DRAWING AN ADVANCE BY A CENTRAL GOVERNMENT SERVANT FOR THE PURCHASE OF PLOT OF LAND AND BUILDING A HOUSE, ENLARGEMENT OF EXISTING HOUSE AND PURCHASE OF A READY BUILD HOUSE, WHERE THE TITLE IS ABSOLUTE**

[Rule 5(a) (1), 5(a)(3) and 5(a)(5)]

AN AGREEMENT MADE THIS .....day of .....two thousand and .....BETWEEN \son of .....at present serving as .....(hereinafter called "the Borrower" which expression shall unless excluded by or repugnant to the subject or context include his heirs, executors, administrators and legal representatives) of the one part and the President of India (hereinafter called 'the Government' which expression shall unless excludes by or repugnant to the subject or context includes his successors in office and assigns) of the other part, WHEREAS the Borrower desires to purchase land and construct a house thereon/enlarge living accommodation in his/her house at .....purchase a ready built house at .....described in the scheduled hereto annexed and WHEREAS the Borrower has under the provision of rules framed by the Government of India to regulate the grant of advances to Central Government servants for building, etc. of houses (hereinafter referred to as the "said rules", which expression shall, where the context so admits, includes any amendment thereof or addition for the time being in force) applied to the Government for an advance of Rupees .....to purchase land and construct a house thereon/enlarge living accommodation in his/her house/purchase a ready built house as aforesaid and the Government has sanctioned an advance of Rupees ..... to the Borrower, vide the Ministry/Office Letter No....., dated ....., a copy of which is annexed to these presents for the purpose aforesaid on the terms and conditions set forth therein NOW IT IS HEREBY AGREED by and between the parties hereto as follows:--

(1) In consideration of the sum of Rupees .....(insert amount of the first installment) to be paid by the Government after the execution of this agreement for the purchase of land and the sum of Rupees ..... (insert balance amount to be paid ) to be paid by the Government to the Borrower as provided in the said rules, the Borrower hereby agrees with the Government -

(a) To repay to the Government the said amount of Rupees .....(Insert full amount sanctioned) with interest calculated in accordance with the said rules for the time being in force by.....(number to be filled in) monthly installments of Rupees .....from his pay commencing from the month of two thousand and .....or from the month following the completion of the house, whichever is earlier and deductions from his monthly pay, leave salary and subsistence allowance bills,

(b) (i) Within two months from the date of receipt of the amount of Rs. ....(insert amount of installment to be paid )out of the said sanctioned advance or within such further time as Government/Head of the Department may allow in this behalf, to expend the aforesaid amount in the purchase of land and to produce for inspection of the Government the sale deed in respect thereof failing which the Borrower shall refund to the Government the entire amount of the advance received by him together with interest thereon.

(ii) Within three months from the date of the receipt of the aforesaid advance of Rs. ....(Rs.....) to expend the aforesaid amount in the purchase of the said ready built house and mortgage it to the Government failing which the Borrower shall refund forthwith to the Government the entire amount of advance received by him altogether with interest thereon unless an extension of time is granted by the Government.

(iii) To complete construction/enlargement of the said house within eighteen months of .....strictly in accordance with the plan and specifications to be approved by the Government and on the basis of which the amount of advance is to be computed and sanctioned finally or within such extended period as may be laid down by the Government.

(iv) Within three months of taking possession of the ready built flat under the Self-Financing Housing Scheme of the .....mortgage it to the Government of India failing which the Borrower shall refund shall refund forthwith to the Government the entire amount received by him together with interest thereon unless an extension of time is granted by the competent authority.

(2) If the actual amount paid by the Borrower for the purchase of land and building a house thereon/enlarging the house/the purchase of the ready built house is less than the amount received under these presents by the Borrower, to repay the difference to the Government forthwith.

(3) To execute a document mortgaging the said house/land along with the house to be built thereon to the Government as security for the amount advanced to the borrower under these presents as also for the interest payable for the said amount in the form provided by the said rules.

(4) If the land is not purchased and the sale deed thereof not produced for inspection of the Government within two month of the date of drawl of the part of the advance of that purpose, or within such further time as the Government/Head of the Department may allow in this behalf/ if the house is not purchased and mortgaged within three months of the drawl of the advance or within further time as the Government/Head of the Department may allow in this behalf /if the borrower fails to complete the construction/enlargement of the said house, as hereinbefore agreed, or if the Borrower becomes insolvent or quits the service of the Government or dies, the entire amount of advance together with interest accruing thereon shall immediately become due and payable to the Government.

(5) The Government shall be entitled to recover the balance of the said advance with interest remaining unpaid at the time of his retirement or death preceding retirement from the whole or any specified part of the gratuity that may be sanctioned to him.

(6) Within prejudice to any other right of the Government in that behalf, if any amount becomes refundable or payable by the borrower to the Government, the Government will be entitled to recover the same as arrears of land revenue.

(7) The stamp-duty payable on these presents shall be borne and paid be the Government.

SCHEDULED ABOVE REFERRED TO

IN WITNESS WHEREOF THE BORROWER has hereunto set his hand and Shri .....in the Ministry/Office of .....for and on behalf of the president of India has hereunto set his hand.

Signed by the said Borrower

.....  
(Signature of the Borrower)

In the presence of –

1<sup>st</sup> witness :  
Address :  
Occupation :

2<sup>nd</sup> witness :  
Address :  
Occupation :

Signed by Shri .....  
In the Ministry/Office of .....

.....  
(For and on behalf of the President of India)

In the presence of –

1<sup>st</sup> witness :  
Address :  
Occupation :

2<sup>nd</sup> witness :  
Address :  
Occupation :

**FORM OF RECONVEYANCE FOR HOUSE BUILDING ADVANCE**

**(VIDE RULE 8 (d))**

**FORM NO.7**

**THIS DEED OF RECONVEYANCE IS MADE THIS**  
\_\_\_\_\_ day of \_\_\_\_\_ 2005 BETWEEN THE PRESIDENT OF  
INDIA (hereinafter called the Mortgagee which expression shall unless  
excluded by or repugnant to the subject or context include his successors  
in office and assigns) of the one part and \_\_\_\_\_ (here-in-after called the  
Mortgagor which expression shall unless excluded by or repugnant to the  
subject or context include his/her heirs, executors, administrators and  
assigns ) of the other part.

WHEREAS by an Indenture of Mortgage, dated the \_\_\_ day of the  
month of \_\_\_\_\_ and made between the Mortgagor of the one part and the  
Mortgagee of the other part and registered at \_\_\_\_\_ in Book \_\_\_\_\_ Volume  
No \_\_\_\_\_ Pages \_\_\_\_\_ as S.No \_\_\_\_\_ for \_\_\_\_\_ /- (hereinafter called  
the PRINCIPAL INDENTURE). The Mortgagor by the said Principal  
Indenture mortgaged the property at \_\_\_\_\_-and more particularly  
described in the Schedule hereunder written to the Mortgagee to secure an  
advance of \_\_\_\_\_ /- made by the Mortgagee to the Mortgagor.

AND WHEREAS ALL MONEYS due and owing to the security of  
the PRINCIPAL INDENTURE have been fully paid and satisfied and the  
Mortgagee to execute re-conveyance of the Mortgaged premises as is  
hereinafter contained. NOW THIS INDENTURE WITNESSETH that in  
pursuance of the said agreement and consideration of the premises the  
Mortgagee doth hereby grant, assign and reconvey unto the Mortgagor, ALL  
THAT THE ready build house situated at \_\_\_\_\_ and comprised  
in the said Principal Indenture and more particularly described in the  
Schedule hereunder written with their rights, easements and appurtenances  
as in the PRINCIPAL INDENTURE expressed and all the estates right title  
interest property claim and demand whatsoever of the Mortgagee into out of  
or upon the said premises by virtue of the PRINCIPAL INDENTURE to  
have and to hold the premises here before expressed to be hereby granted,  
assigned and reconveyed unto and to the use of the Mortgagor, for ever freed

and discharged from all moneys intended to be secured by the said PRINCIPAL INDENTURE and from all actions, suits, accounts, claims and demands for, or in respect of the said moneys or any part thereof, for or in respect of, the PRINCIPAL INDENTURE OR of anything relating to the premises AND THE Mortgagee hereby covenants with Mortgagor that the Mortgagee has not done or knowingly suffered or been party of privy to anything whereby the said premises or any part thereof, are/is can be impeached encumbered or effected in title estate or otherwise who-so-ever, IN WITNESS whereof the Mortgagee has \_\_\_\_\_ on his behalf to set his hand the day and year first above written.

SCHEDULE ABOVE REFERRED TO

Signed by \_\_\_\_\_ for and on behalf of the  
Mortgagee \_\_\_\_\_

(Signature)  
(For and on behalf of the President of India)

**In the presence of:**

1<sup>st</sup> Witness :

Occupation :

Address :

2<sup>nd</sup> Witness :

Occupation :

Address :

## **GRANT OF ADVANCE FOR MOTOR CYCLE & SCOOTER**

1. P&F Dte deals with grant of advance for Motor Cycle and Scooters. For bicycle advance, requisite funds are allotted to the respective Dtes.

2. The relevant Rules/Instructions regarding grant of Motor Cycle/Scooter/Moped Advance are quoted below from the GFR as amended vide the latest order issued by the Ministry of Finance:-

### **(a) Conditions of Eligibility :-**

(i) The authority competent to sanction the advance is satisfied at the Government Servant has the capacity to repay the advance.

(ii) The advance for purchase of Motor Cycle/Scooter/Moped shall be granted to those Government Servants who's Basic Pay plus dearness Pay is Rs. 6900/-per month or more. The authority competent to sanction this advance may however relax this condition in deserving cases.

### **(b) Amount of Advance :-**

The amount of Advance for the first occasion shall not exceed Rs. 30000/- or 04 months Basic Pay plus DP or the anticipated price of the Motor Cycle/Scooter/Moped which ever is the least. For the second and subsequent occasions the amount shall be restricted to Rs. 24000/- or 3 months Basic Pay plus DP or the anticipated price of the Motor Cycle/Scooter/Moped which ever is the least.

### **(c) Recovery :-**

The amount of advance granted to Govt Servant for the purchase of Motor Cycle/Scooter/Moped shall be recovered from him in equal monthly installments as he may elect, but such number shall not be more than seventy.

(c) Application form for drawal of Motor Cycle/Scooter advance is given in Appendix 'B'

APPENDIX 'D'

APPLICATION FORM FOR ADVANCE FOR THE PURCHASE  
OF MOTOR CYCLE, SCOOTER

1. Name of the applicant :
2. Applicant's designation :
3. District & Station :
4. Pay
  - (i) Substantive Pay :
  - (ii) Officiating pay or pay drawn in temporary pos
  - (iii) Special Pay/Personnel Pay :
5. Anticipated price of motor cycle :
6. Amount of advance required :
7. Date of superannuation or retirement or date of expiry of contract in case of a contract officer
8. Number of installments in which the advance is desired to be repaid :
9. Whether advance for similar purpose was obtained previously and if so :-
  - (i) Date of drawal of the advance :
  - (ii) The amount of advance and/or interest thereon still outstanding, if any :
10. Whether the intention is to purchase:-
  - (i) A new or an old motor cycle :
  - (ii) If the intention is to purchase motorcycle through a person other than a regular or reputed dealer or agent, whether previous sanction of the competent authority has been obtained as required under rule 15(2) of the Central Civil Services (Conduct) Rules, 1964
11. Whether the officer is on leave or is about to proceed on leave:-
  - (i) The date of commencement of leave:
  - (ii) The date of expiry of leave:
12. Are any negotiations or preliminary enquiries being made so that delivery may be taken of the motor cycle/scooter within one month from the date of drawal of the advance.
13. (i) Certified that the information given above is complete and true.  
(ii) Certified that I have not taken delivery of the motor cycle on account of which I apply for the advance, that I shall complete negotiations for the purchase of the vehicle and take

possession of the same before the expiry of one month from the date of drawal of the advance and that I shall insure it from the date of taking its delivery.

Place : \_\_\_\_\_

Date: Applicant's Signature