

No.GAD/I/HBA  
Maharashtra State Electricity Board,  
'Prakashgad',  
Bandra (East), Bombay-400051  
Date:6-11-1993

CORRECTION SLIP NO.32 DATED 6.11.1993

TO G.O.65(P) DATED 03.03.1972

Sub:-Regulations for grant of House Building Advance to the  
employees of Maharashtra State Electricity Board  
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The Board by their Resolution No.513 dated 24.9.93, accorded approval to add following new provisions in the House Building Advance Regulations notified vide G.O.65 (P) dated 3.3.1972.

(1) Clause 'h' and 'vi' below Regulations

No.4 (1) and 16 (A) (a) respectively.

" The repayment of a loan taken from Government recognized private Financial Institutions or other Government recognised Financial Institutions to construct the house or to purchase the ready built house/flat".

(2) Clause (v) in the Regulation 6 (b) :

" The amount of undischarged liability on account of a loan taken by the employee from Government recognized Private Financial Institutions or other Govt.recognised Financial Institutions, to construct the house or to purchase the ready built house/flat or 50 months basic pay or Rs.2,50,000/-, whichever is the least in cases covered by Regulation 4(1)(h)".However, such undischarged liability of the employee should not be more than admissible amount of House Building Advance.

(3) Addition to the Regulation 16 (A) (b) :

" For the purpose at (vi), the amount of advance shall not exceed the amount of undischarged liability of the employee to construct the house/flat or to purchase the ready built house/flat or 50 months

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basic pay or Rs.2,50,000/- , whichever is the least."

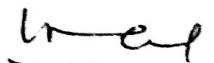
However, such undischarged liability of the employe, should not be more than admissible amount of House Building Advance.

2. The Board by the same Resolution accorded approval to adopt the terms and conditions governing the scheme of granting H.B.Advance to repay a loan taken from Govt. recognised private Financial Institutions or other Govt. recognised Financial Institutions and revise the application formats as shown in the enclosed Annexures 'A' & 'B', respectively. These terms and conditions and revision in application formats should be incorporated as the Annexures 'A' and 'B', respectively to the House Building Advance Regulations notified vide G.O.65 (P) Dated 3.3.72. Such applications for the re-payment of loan taken from Government recognised private financial institutions or other Government recognised financial institutions to construct the house or to purchase ready built house/flat should be considered in the same channel in which other applications for H.B.A. are considered. In other words, there would be no separate amount earmarked for meeting the demands of these types of cases.

3. The Board further authorised the Chairman to make, in consultation with the Member (Admn.)/Secretary, the Technical Member and the Accounts Member, additions /deletions in the forms and terms & conditions, to prescribe new formats, etc. to suit the requirements from time to time & also to issue procedural & administrative instructions as deemed necessary and appropriate.

Encl: Annexures "A" & "B"

To,  
As per the Mailing List.

  
6.11.93  
(Vinay Mohan Lal),  
Member (Admn.)/Secretary

(Annexure "A" to Correction Slip No.32 Dtd. 6.11.93

To G.O.65 (P) dated 3.3.1972)

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Terms and conditions governing the scheme of granting House Building Advance to repay a loan taken from Government recognised Private Financial Institutions or other Government recognised Financial Institutions. (See clause "h" & "vi" below Reg.4 (1) & 16 (A) (a) respectively , of House Building Advance Regulations (G.O.65 (P) dt.3.3.72)

(i) These amendments shall come into force with effect from 1.4.1993 and onwards. However, there shall be no objection to consider past cases, if otherwise eligible and completed in all respects.

(ii) H.B.Advance for repayment of loan raised from outside agencies will be admissible to those employees who have applied for H.B.Advance to the Board prior to obtaining a loan or simultaneously while applying for the loan.

(iii) The employee should take prior permission of the Competent Authority to acquire the property by taking loan from outside agencies, as per Maharashtra State Electricity Board Employees' Service Regulation No.85 (h).

(iv) The house/flat should be in the name of the Board's employee and it should be within the Maharashtra State in the case of mortgage scheme.

(v) The H.B.Advance will not be admissible for repayment of loan taken for enlargement of existing house or for its repairs and/or renovation.

(vi) The construction cost or the cost of the ready built house should be within the limit as prescribed in the Regulation No.6-A and 16 (A) 1 (b) (i).

(vii) The cost of the house should be certified by the Registered Architect or Registered Valuer or Civil Engineer.

(viii) The loan may be raised from the Government recognised Private Financial Institutions or other Govt. recognised Financial Institutions such as H.D.F.C./ Nationalised Banks/ Co-Op.Banks/ M.S.H.F.C. or equivalent Government recognised Financial Institutions,

(ix) H.B.Advance will not be admissible for repayment of loan taken from relatives/friends, etc.

(x) The amount of H.B.Advance will be released only after execution of agreement, as may be prescribed, with the Board by the employee, wherever necessary.

(xi) Under no circumstances advance for re-payment of loan should be granted as a "Special Case".

(xii) The repayment capacity of the employee may be taken into consideration before sanctioning H.B.Advance.

(xiii) The Competent Authority to sanction H.B.Advance, should ensure that the employee has constructed/purchased the house/flat by calling authentic documents and also a certificate from such Financial Institution regarding :-

- (i) The amount of advance sanctioned and date.
- (ii) The terms and conditions of the sanction.
- (iii) The balance amount of advance and provision of repayment in lumpsum.
- (iv) Consent to make available to the Board, the original documents of house including mortgage, if any, submitted by the employee while raising loan.

(xiv) The Competent Authority, if feel necessary considering the need in a particular case, may call for any other documents.

(xv) In all other matters, the existing provisions of the Maharashtra State Electricity Board House/Flat Building Advance Regulations, 1972, as amended from time to time, shall be applicable.

#### Mortgage Deed

In the case of mortgageable property, the Financial Institution grants loan by creating first charge over such property by way of valid mortgage, Once the balance amount of loan is repaid, such Institution may release the mortgage by re-conveyance deed. However, in order to secure Board's money, it would be necessary to have fresh mortgage in favour of the Board. The stamp duty and registration charges are, however, to be borne by the Board.

Eventhough, the loan is granted by such Financial Institution after verifying the title of the property, it may be got verified from the Board's nominated Advocate, as a safety measure, before sanction of House Building Advance. In the case of flat or the property, where the employee has no title to the property, the H.B.Advance has to be granted under the Personal and Surety Bond Scheme.

(ANNEXURE "B" to the Correction Slip No.32 Dated 6.11.93  
to G.O.65 (P) Dated 3.3.1972).

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Modification to the format of the application form "C" (Mortgage Scheme) and "C-1" (Personal & Surety Bond Scheme) as under with the addition of item No.9 (d) and 8 (d) respectively.

"Have you already constructed/purchased the house/flat by taking loan from the Financial Institution as prescribed under Regulation 4 (1) (h)/16-A (a) (vi) ? If so, please state.

- 1) The name and address of the Financial Institution.
- 2) The order No. and date by which the loan is granted.
- 3) Whether the house is mortgaged with the Financial Institution ? If so, copy of the mortgage deed be attached.
- 4) Exact location of the house/flat.
- 5) Floor area of the house/flat.
- 6) Name and address of the owner from whom purchased.  
(Copy of the agreement may be attached).
- 7) Total Construction cost of the house/flat incurred/paid.
- 8) Details of the property tax paid (Attach latest tax receipt of the Municipality or Grampanchayat, as the case may be).