

Kerala Gazette No. 33 dated 14th August 1962
PART 1

GOVERNMENT OF KERALA
Abstract

**ADVANCES-HOUSE CONSTRUCTION ADVANCE TO GOVERNMENT
SERVANTS-RULES REGARDING THE ELIGIBLE AMOUNT
AND RECOVERY-MODIFIED**

FINANCE DEPARTMENT

G.O.(P) No. 341/62/Fin. (Loans)

Dated, Trivandrum, 4th August 1962

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- Read:-1. G.P.P1-4-21972/54/CSdated 17-12-1954
2. G.O.(P) 269/59/Fin dated 26-5-1959
3. Letter No. H.111-10(11)/60 dated 29-5-61 from the Ministry of Works,
Housing & Supply, and Government of India.
4. Letter dated 31-5-61 from the Hon. Secretary, Travancore, Cochin
Secretariat Association.

ORDER

Representations have been received from various Service Associations and Government Servants requesting the Government to liberalise the rules for the grant of advances to Government Servants for house construction purposes in view of the increase in the prices of buildings materials and in the cost of labour charges. Government have considered the representations and are pleased to issue the following orders:-

2. Dearness pay is now not taken in to account in calculation the amount of house construction advance admissible to an Officer. Recently orders have been issued treating the entire D.A. in excess of Rs.10 as D.P.subject to the condition that the maximum amount of D.P. will be limited to Rs.60 per mensem. Government are pleased to order that Dearness pay will also be counted in future for calculating the amount of house construction advance admissible to an Officer.

3. (i) With a view to giving further assistance in the case of Officers who have been given the full eligible amount admissible under the existing rules and are not able to complete the construction of the house, Government order that in cases where the amount of the advance granted has been fully expended and where the Government servant finds it impossible to complete the essential items of work like flooring, plastering, ceiling, construction of bathrooms, etc., he may be given an additional advance of an amount equal to six times his monthly pay/salary (including Dearness Pay) subject to a maximum of Rs. 2,000. This will be made available only on a certificate from the Executive Engineer having territorial jurisdiction over the area to the effect that on account of non-completion of essential items of work the house is not fit for occupation and that the amount is required for bona fide

completion of the house. The benefit of this rule may be given in deserving past cases also.

- (ii) The additional advance thus granted will be treated as a part of the original advance.
- (iii) In cases where the repayment of advance already sanctioned has commenced, the recovery of the additional advance will commence with the salary for the month, next to that in which the additional loan is disbursed provided the entire amount (including the additional advance) is repaid with interest within the period fixed for the repayment of the original advance. In other cases, the repayment will commence along with that of the advance already sanctioned.

(iv) As the property would have already been mortgaged to Government in consideration of the original advance/advances, the amount of the additional advance will be disbursed only on the Government servant executing a document creating a second or third mortgage as the case may be on the equity of redemption. The bond prescribed in G.O. (P) 269/59/Fin. dated 26-5-1959 will be followed in the case of a second mortgage and in the case of a third mortgage, the bond will be in the form given as Appendix 'A'.

The other conditions in the existing rules should be satisfied.

The application should be in the form prescribed for the grant of additional advance.

4. In order to avoid undue hardship to Government Servants, who are due to retire within the normal period of recovery, the rules have to be suitably liberalized. Accordingly in such cases, a loanee, if he is governed either by the K.S.R. or the All India Service Rules, will be permitted to repay the advance with interest in convenient monthly instalments (the amount of which should not be less than the amount of monthly instalment on the basis of the full period admissible under the rules) during the remaining period of his service, provided he agrees to the incorporation of a suitable clause in the prescribed agreement and the mortgage deed to the effect that 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. The mortgage deed in such cases will be in the form given as Appendix 'B'.

The benefit of the above provision will be given also to Officers who have already availed of advances. They should however execute the necessary supplemental deeds. The form of such supplemental deed is given as Appendix 'C'.

By order of the Governor,
C.K.VASAVAN,
Assistant Secretary.

To

The Accountant General, Trivandrum.

All Heads of Departments and Offices.
The Registrar of High Court (with C.L.)
The Secretary, Public Service Commission (with C.L.)
The Secretary to the Governor.
The Private Secretary to the Chief Minister and other Ministers
All Departments of the Secretariat.
The Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries
and Assistant Secretaries.
The Personal Clerk to the Chief Secretary.
The Service Associations.
The Superintendent, Government Presses, Trivandrum.

APPENDIX A

(to be used for creating a third mortgage).

THIS DEED OF MORTGAGE executed on this the ----- day
of -----One thousand nine hundred and sixty-two By Shri -----
(Here enter name and address) now employed as ----- (hereinafter
referred to as “the Mortgagor”) in favour of the Governor of Kerala (hereinafter
referred to as “the Mortgagee”);

WHEREAS by a mortgage deed dated ----- and registered as
No..... of At pagestoVolume -----
----- Book No----- at the -----Office (hereinafter
referred to as “the said Mortgage Deed”) the Mortgagor transferred by way of simple
mortgage the properties mentioned and described in the Schedule hereto unto the
Mortgagee by way of security for the repayment of the loan of Rs-----
advanced by the Mortgagee to the Mortgagor subject to the terms and conditions
therein contained;

WHEREAS by a document creating a further charge dated ----- and
registered as No ----- of ----- at pages ----- to -----
Volume ----- Book No ----- at the ----- Office (hereinafter
referred to as “the document creating further charge”) the Mortgagor created a further
charge on the said properties by way of security for the repayment of additional loan
said properties by way of security for the repayment of additional loan as well as the
loan advanced under the said mortgage deed and for the due performance of the terms
and conditions contained in the said Rules, in the said mortgage deed and in the
document creating further charge;

AND WHEREAS at the request of the Mortgagor the Mortgagee has in Order
No----- dated ----- sanctioned a further loan of Rs----- to the
Mortgagor subject to the terms and conditions contained in the said order (copy of
which is attached hereto and shall form part of this Deed as if incorporated herein);
and in the Rules to Regulate Advances to Government Servants for Building,

Purchasing and Repairing Houses (herein referred to as the “said Rules”) and the
terms and conditions herein contained;

NOW THIS DEED WITNESSETH as follows:-

1. In consideration of the loan of Rs----- advanced to the Mortgagor by the Mortgagee (the receipt of which the Mortgagor doth hereby admit and acknowledge) the Mortgagor hereby declares that all the properties comprised in the said mortgage deed and the document creating further charge and which have been described in the Schedule hereto shall henceforth be security for and be charged with as well for the payment of the sum of Rupees ----- now advanced with interest as hereinafter provided, as also the payment of the sum secured by the said mortgage deed and the document creating further charge.

2. The loan amount together with interest as stipulated in the said Rules and order shall be repaid in the manner provided by the said Rules and order. The repayment of the loan advanced under the said mortgage deed and the document creating further charge and the amount hereby advanced shall be made simultaneously.

3. All the terms and conditions contained in the said Rules and order and the said mortgage deed and the document creating further charge shall be binding on the Mortgagor and he shall fully abide by them.

4. In case the Mortgagor commits breach of all or any of the provisions contained in the said Rules, the order, the said mortgage deed and the document creating further charge or the provisions herein contained the entire loan amount covered by the said mortgage deed and the document creating further charge and this deed outstanding together with interests and costs if any shall immediately become payable in a lump at once and the Mortgagor shall pay the same. In case of default of such payment the mortgagee shall have power to proceed against the property described in the Schedule to recover such sums and the Mortgagee shall have all powers vested in a Mortgagee under Sections 69 and 69A of the Transfer of Property Act, 1882.

5. Without prejudice to the powers of the Mortgagee under the preceding clause all sums found due to the Mortgagee under, or by virtue of these presents shall be recoverable from the Mortgagor and his properties movable and immovable under the provisions of the Revenue Recovery Act for the time being in force as if they were arrears of land revenue or in such other manner as the Mortgagee may deem fit.

IN WITNESS WHEREOF the Mortgagor has hereunto set his hands the day and year first above written.

SCHEDULE ABOVE REFERRED TO
(Here enter details)

Signed by Shri-----

In the presence of Witnesses:

(1)

(2)

AAPENDIX-B

HOUSE CONSTRUCTION ADVANCE TO GOVERNMENT SERVANTS
MORTGAGE DEED.

(to be used by applicants agreeing to the recovery from the death-cum-retirement gratuity also)

THIS MORTGAGE BOND executed by -----(Name) -----
-----son of -----(Name) -----(designation) -----
-----aged (-----) -----(House Address) ----- on this, the -----(date,
month and year) ----- in favour of the Governor of Kerala (hereinafter
referred to as “the Government”);

WHEREAS I having applied to the Government for a loan of Rs-----
for the construction of a house in the property more particularly mentioned and
described in the schedule hereunder written subject to the terms and conditions
contained in the “Rules to Regulate Advances to Government Servants for Building,
Purchasing and Repairing Houses” (Hereinafter referred to as “the Rules” which
expression shall where the context so admits or implies include any amendment
thereof or addition thereto for the time being in force) and the Government have
accordingly been pleased to grant the loan subject also to the terms and conditions
hereinafter contained.

- 1 Now this Mortgage Bond Witnesseth that in consideration of the loan of
Rs----- advanced to me by the Government as per G.O. Rt. No-----
-- (the receipt of the loan amount I do hereby admit and acknowledge) I do
hereby transfer by way of simple mortgage to the Government all that
property described in the Schedule hereunder written together with the
building to be constructed thereon with the loan amount and other
improvements made thereon from time to time to the Intent that the said
property, building and other improvements shall remain and be charged as
security for the payment to the Government of the said loan amount,
interests and costs and the Government shall have first charge over the
same.
- 2 I here by agree that the Rules shall be binding on me and I will fully
abide by them.
- 3 I further agree that the amount of the loan will not be utilized for any
purpose other than for which it is applied for.
- 4 And I here by further agree and declare that I will fully pay to the
Government the said sum of Rs..... being the loan that is granted to me
and will pay interest on such sum owing calculated according to and in the
manner provided by the Rules:

Provided always and it is hereby agreed and declared that if I shall
at any time make default in the payment of any of the said installment
on the due date or commit breach of all or any of the terms and
conditions contained here in or of the Rules the balance of the principal
sum which shall for the time being remain unpaid together with the
interest accrued there on and all sum found due to the Government under
or by the virtue of these presents shall for the with become payable in a
lump at once and incase of default in payment of the whole sum when
becoming payable as here provided the Government shall have power
without the invention of any Court, to take possession of the mortgaged

properties and to sell or agree with any other person in selling the same or any part thereof either by public auction or by private contract subject to such conditions concerning title or evidence of title or other matter as the Government thinks fit with power to vary any contract for sale or to for sale or to resell without being liable for any loss occasioned there by and to realize the amount due to the Government from such sale proceeds after defraying the necessary expenses and the Government shall also have all the powers vested in the Mortgage under Section 69 and 69 A of the Indian Transfer of Property Act.

- 5 Notwithstanding anything here in the Government shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of my retirement or death proceeding retirement from the whole or any part of the gratuity that becomes payable on my retirement or death.
- 6 Without prejudice to the rights of the Government under the proceeding clause all sums found due to the Government under or by virtue of These presents shall be recoverable from me and my properties movable/immovable under the provisions of the Revenue Recovery Act for the time being in force as though they are arrears of Land Revenue or in any other manner as Government may deem fit

THE SCHEDULE

xx

xx

xx

IN WITNESS WHEREOF I, saidson
ofhave hereunto set my hands the day and year first above
written, (Date, month and Year)

Signed by(Applicant)

In the presence of Witness:

1.

APPENDIX---C

THIS AGREEMENT is executed on this the -----day of one thousand nine hundred and sixty two by Shri.....(Here enter name and address) (hereinafter called ' the mortgagor' in favour of the Government of Kerala (hereinafter called the Mortgagee')

WHERE AS by the mortgage deed executed on theday of19.....in favour of the Mortgagee and registered as noof..... at pages.....in volume of.....Book no..... at the Sub Registry office(herein after referred to as the principal Deed) the properties mentioned and described in the purpose of securing the loan thereby advanced subject tot the

terms and conditions therein contained and those contained in the Rules to regulate advances Government Servants for Building, purchasing and Repairing House.

WHEREAS the Mortgagee has permitted the Mortgagor as per the G O No.... dated to repay the advance with interest in monthly installments at the reduced rate of Rs.on the basis of full period admissible under the rules during the remaining period of the service of the Mortgagor.

WHEREAS the Mortgagor has agreed for the recovery of the balance of the said advance with interest remaining unpaid at the time of retirement or death proceeding retirements, from the whole or any specified part of the gratuity that may be sanctioned to the mortgagor

WHEREAS THE Mortgagee has called upon the Mortgagors to execute a supplemental mortgage deed.

AND WHEREAS these presents are supplemental to the principal Deed. .

NOW THIS DEED WITNESSETH As follows

- 1 In the principal Deed, before the last para, the following shall be inserted, namely.
Notwithstanding any thing contained herein the Government shall be entitled to recover the balance of the advance with interest remaining unpaid at the time of my retirement or death proceeding retirement from the whole or any part of the gratuity payable on my retirement or death.
- 2 Subject to the above modification the Principal Deed shall be and remain in full force and effect.

IN WITNESS WHEREOF Shrithe Mortgagor has hereunto set his hands the day and year first above written .

Signed by Shri.....

In the presence of

1

2
