

GOVERNMENT OF KERALA  
Abstract

ADVANCE- HOUSE BUILDING ADVANCE TO GOVERNMENT SERVANTS-  
COURSE OF REPAYMENT-GUIDELINES-ISSUED.

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FINANCE (LOANS) DEPARTMENT

G.O.(P) 419/80/Fin.

Dated, Trivandrum, 27<sup>th</sup> June, 1980.

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**ORDER**

It has come to the notice of Government that there could be cases where, after the death of the Government Servants who had availed advances for house construction purposes, the families would be in very difficult circumstances. In such cases some concessions in the matter of repayment of out-standing loans will go a long way to help the families of the deceased in distress.

What concessions could be given in this regard have been examined in detail and Government are pleased to issue the following guidelines to be allowed in the case of repayment of outstanding dues in addition to the Rules Regulating Grant of advances to Government Servants for house construction purposes.

(1) When a Government Servant who has taken a loan for house construction purposes, dies before the repayment of principal and interest is completed the dues will be normally adjustable from the Death Cum Retirement Gratuity. If the amount of the Death Cum Retirement Gratuity is not enough to wipe off the liability, the legal heir/heirs of the deceased or he or she agrees to repay the loan, will be permitted to pay the balance normal instalments. If the wife of the deceased is in receipt of family pension, repayment as aforesaid in instalment can be effected from the family pension, provided the recipient of the pension agrees to this effect.

(ii) In the case of joint loans sanctioned on joint salary basis, where one of the loanees dies before repayment is completed, the other loanee will be permitted to repay the instalments in addition to the normal instalments payable by him/her. In this case the Death Cum Retirement Gratuity admissible to the deceased will straight-away be adjusted first and the balance if any still remaining will alone be recovered from the other loanee as aforesaid.

(iii) In the case of joint loans when both the loanees die before repayment of the outstanding balances, the legal heir/heirs will be permitted to repay the balance in instalments. This is also subject to the condition that Death Cum Retirement Gratuity payable to both the deceased will be straight away adjusted towards the outstanding balances.

(iv) If the legal heir/heirs is /are minor/minors the instalments will be payable by the guardian. When the legal heir/ heirs become major/s, the liability of the guardian to pay the instalments will be automatically cease.

In all these cases whenever the legal heir/heirs get employment, the recovery in instalments will be effected from the pay of the legal heir/heirs.

By order of the Governor,

E. KUMARA MENON,  
*Additional Secretary.*

To

All Heads of Departments and Officers  
All Departments (All Sections) of the Secretariat.  
The Accountant General, Kerala, Trivandrum(with C.L)  
The Secretary, Kerala Public Service Commission, Trivandrum(with C.L)  
The Registrars, University of Kerala/Cochin/Calicut (with C.L)  
The Registrar, Kerala Agricultural University, Trichur (with C.L)  
The General Manager, Kerala State Road Transport Corporation Trivandrum (with C.L)  
The Secretatry, Kerala State Electricity Board, Trivandrum (with C.L)  
The Registrar, High Court of Kerala, Ernakulam (with C.L)  
All Secretaries, Additional Secretaries, Joint Secretaries,Deputy Secretaries and Under Secretaries to Government.  
The Secretary to Governor.  
The Private Secretaries to the Chief Minister and other Ministers  
The Under Secretary to the Chief Secretary.