



**GOVERNMENT OF KERALA**

**FINANCE (HBA) DEPARTMENT**

**CIRCULAR**

**No. 52/2014/Fin.**

**Dated, Thiruvananthapuram, 31.05.2014**

**Sub:-** House Building Advance Scheme to State Government Employees - Additional Loan from Recognised Financial Institutions – Directions to Financial Institutions - issued.

**Ref:-** 1) G.O. (P) No.436/91/Fin dated 31/07/1991.  
2) G.O. (P) No.76/08/Fin dated 11.02.2008.  
3) G.O. (P) No.87/2013/Fin dated 18.02.2013.

In the Government Order referred 1<sup>st</sup> above, Government employees were permitted to avail House Building Advance loans from recognized financial institutions and to create second mortgage on the property already pledged to Government.

2. As per Government Order 2<sup>nd</sup> and 3<sup>rd</sup> cited, Government have raised the cost ceiling limit of availing House Building Advance upto 100 times of basic pay subject to a maximum of ₹10 lakh and ₹ 25 lakh respectively from outside recognized financial institutions on second mortgage.

3. It has come to the notice of the Government that most of the financial institutions/banks are not giving second mortgage loans on the basis of the above referred Government Orders. Besides, certain institutions have raised so many doubts about documents which are to be obtained from the applicants and the agreement to be signed by Heads of Departments.

4. All financial institutions/ Banks are instructed to give second mortgage loans to Government employees based on the conditions specified in the Government Orders referred to above. Government also clarify that second mortgage loan should be allowed only on the basis of tripartite agreement (i.e.

agreement on stamp paper by Head of Department loanee and the Financial Institution) appended in the G.O.(P) 76/08/Fin dated 11.02.2008 and after obtaining certified copies of the original documents already pledged to Government.

**T.K.MARTIN**  
ADDITIONAL SECRETARY (FINANCE)

To

The Principal Accountant General (A&E/G&SSA), Kerala, Thiruvananthapuram.

The Accountant General (E&RSA), Kerala, Thiruvananthapuram.

The Chairman and Managing Director, HUDCO, HUDCO Bhawan,  
Indian Habitat Centre, Lodhi Road, New Delhi 110003.

The General Manager, State Bank of India, Thiruvananthapuram

The General Manager, (Operations), State Bank of Travancore.

Poojapura, Thiruvananthapuram

The General Manager, Canara Bank, Thiruvananthapuram.

The General Manager, LIC Housing Finance Ltd, Mumbai, 400001

The Assistant General Manager, Federal Bank, Regional Office, M.G.Road,  
Thiruvananthapuram

The Deputy General Manager, (Kerala) HDFC House, PB No.2288,  
Vazhuthacaud, Thiruvananthapuram

The Deputy General Manager, Indian Bank Circle Office, No.38/1672, Chittur  
Road, Pullepady, Ernakulam, 682035

All Heads of Departments.

All District Collectors.

✓ Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)

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Forwarded / By Order

*S.K.Srinivasan*

**Section Officer**