

**GOVERNMENT OF ODISHA  
FINANCE DEPARTMENT**

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NO. 17502 /F,  
FIN-CS2-ADV-0002-2022

Date. 13/07/2022

**OFFICE MEMORANDUM**

**Sub: Revision of admissibility limit of House Building Advance in respect of State Government employees.**

The maximum limit of House Building Advance and Additional House Building Advance were fixed vide Finance Department Office Memorandum No.4470/F, dt.02.02.2010. Based on the recommendation of 7<sup>th</sup> Central Pay Commission, Government of India, Ministry of Housing & Urban Affairs have revised the upper limit of the House Building Advance for their employees vide Office Memorandum No.I.17011/11(4)/2016-H-III, dt.09.11.2017. Consequent upon implementation of the Odisha Revised Scales of Pay Rules, 2017, the revision of maximum limit of House Building Advance and Additional House Building Advance was under consideration of State Government.

2. After careful consideration, the State Government have been pleased to revise the maximum limit of the House Building Advance and Additional House Building Advance as mentioned below:

3. **Maximum Limit of Advance:**

Item		Existing limit	Revised limit
(I)	For purchase of land and construction of Building thereon.	50 months pay (without grade pay) subject to minimum of Rs.5.00 lakhs and maximum of Rs.25.00 lakhs or cost of land and construction of house or repaying capacity whichever is the least.	50 months basic pay subject to maximum of Rs.40.00 lakhs or cost of land and construction of house or repaying capacity whichever is the least.
(II)	For construction of House on the existing plot of land	50 months pay (without grade pay) subject to minimum of Rs.5.00 lakhs and maximum of Rs.25.00 lakhs or cost of land and construction of house or repaying capacity whichever is the least.	50 months basic pay subject to maximum of Rs.40.00 lakhs or cost of construction of house or repaying capacity whichever is the least.
(III)	For purchase of ready-built house	50 months pay (without grade pay) subject to minimum of Rs.5.00 lakhs and maximum of Rs.25.00 lakhs or cost of land and construction of house or repaying capacity whichever is the least.	50 months basic pay subject to maximum of Rs.40.00 lakhs or cost of house or repaying capacity whichever is the least.

(IV)	Additional HBA for enlarging the living accommodation in an existing house	50 months pay (without grade pay) or Rs.5.00 lakhs or cost of the enlargement or repaying capacity whichever is the least.	50 months basic pay subject to maximum of Rs.10.00 lakhs or cost of the enlargement or the amount according to repaying capacity whichever is the least
(V)	Additional HBA for completion of incomplete building	50 months pay (without grade pay) or Rs.5.00 lakhs or cost of the enlargement or repaying capacity whichever is the least.	50 months basic pay subject to maximum of Rs.10.00 lakhs or cost of the enlargement, or the amount according to repaying capacity, whichever is the least

**Note-1:** The Government employee availing Additional House Building Advance for completion of the incomplete building shall not be eligible for further advance for enlarging the living accommodation in the existing house in future.

4. **Release of Advance in instalments:**

	<b>Item</b>	<b>Existing limit</b>	<b>Revised limit</b>
(I)	For purchase of land and construction of Building thereon.	<p>Advance shall be released in two instalments as under:</p> <p>a) First instalment - (for purchase of land) 60% of the advance shall be released after registration of the draft agreement deed.</p> <p>b) 2<sup>nd</sup> instalment- The balance 40% of the advance shall be released after submission of the sale deed of the land purchased, plan and estimates duly countersigned by the Executive Engineer of R&amp;B / R.D / B.D.A / Housing Board and registration of draft mortgage Deed.</p>	<p>Advance shall be released in two instalments as under:</p> <p>a) First instalment-(for purchase of land) 60% of the advance shall be released after registration of the draft agreement deed.</p> <p>b) 2<sup>nd</sup> instalment- The balance 40% of the advance shall be released after submission of the sale deed of the land purchased, plan and estimates duly countersigned by the Executive Engineer of R&amp;B / R.D / B.D.A / Housing Board and registration of draft mortgage Deed.</p>

(II)	For construction of House on the existing plot of land	<p>Advance shall be released in two instalments as given below:</p> <p>a) 1st instalment-50% of the advance shall be released after submission of sale Deed, plan &amp; Estimate duly countersigned by the Executive Engineer R&amp;B/RD./B.D.A./ Housing Board etc &amp; after mortgage of the property with Building.</p> <p>b) 2nd instalment –The balance 50% of the advance shall be released after submission of utilization certificate from the Executive Engineer R&amp;B / RD / B.D.A./ Housing Board etc &amp; in respect of the 1<sup>st</sup> instalment.</p>	<p>Advance shall be released in two instalments as given below:-</p> <p>a) 1st instalment- 60% of the advance shall be released after submission of sale Deed, plan &amp; Estimate duly countersigned by the Executive Engineer R&amp;B/RD./B.D.A./ Housing Board etc &amp; mortgage of the property with Building.</p> <p>b) 2nd instalment –The balance 40% of the advance shall be released after submission of utilization certificate from the Executive Engineer R&amp;B / RD / B.D.A./ Housing Board etc in respect of the 1<sup>st</sup> instalment.</p>
(III)	For purchase of ready-built house	<p>Advance shall be released in two instalments as given below:</p> <p>a) 50% of the advance shall be released on submission allotment letter from B.D.A./ Housing Board/ Builders or a written consent letter of the private sellers &amp; after registration of the draft Agreement Deed, submission of Surety Bond, wherever necessary an undertaking to mortgage the House.</p> <p>b) The balance 50% shall be released on submission of payment receipt from the seller in respect of the 1<sup>st</sup> instalment of the Advance.</p>	<p>Advance shall be released in two instalments as given below:</p> <p>a) 60% of the advance shall be released after submission of allotment letter from B.D.A./ Housing Board/ Builders or a written consent letter of the private sellers &amp; registration of the draft Agreement Deed, submission of Surety Bond, wherever necessary an undertaking to mortgage the House.</p> <p>b) The balance 40% shall be released on submission of payment receipt from the seller in respect of the 1<sup>st</sup> instalment of the Advance.</p>

(IV)	Additional House Building Advance for enlarging the existing accommodation	The amount shall be released in one instalment after submission of utilization certificate in respect of previous advance and plan & Estimate from the Executive Engineer (R&B) / R.D. / B.D.A. / Housing Board / Regional Improvement Trust & registration of draft supplemental Mortgage Deed.	The amount shall be released in one instalment after submission of utilization certificate in respect of previous advance and plan & Estimate from the Executive Engineer (R&B) / R.D. / B.D.A. / Housing Board / Regional Improvement Trust & registration of draft supplemental Mortgage Deed.
(V)	Additional House Building Advance for Completion of the incomplete building	The additional amount shall be released in one instalment on Submission of utilization certificate in respect of the previous advance and recommendation for further advance from the EE (R&B) / R.D. / B.D.A./Housing Board/ Regional Improvement Trust & registration of draft supplemental Mortgage Deed.	The additional amount shall be released in one instalment on Submission of utilization certificate in respect of the previous advance and recommendation for further advance from the EE (R&B)/ R.D./B.D.A/ Housing Board/ Regional Improvement Trust & registration of draft supplemental Mortgage Deed.

5. **Rate of Interest:**

Existing rate		Revised rate	
Amount of advance sanctioned	Rate of interest	Amount of advance sanctioned	Rate of interest
Up to Rs.0.5 lakhs	6%	Up to Rs.40 lakhs	8%
Up to Rs.1.5 lakhs	7.5%		
Up to Rs.5 lakhs	9.5%		
Up to Rs.7.5 lakhs	10.5%		
Up to Rs.25 lakhs	11.5%		

6. **Recovery of the House Building Advance:**

The House Building Advance granted to a Government employee together with the interest accrued thereon shall be recovered in full by monthly instalments within a period not exceeding **25 years**. First the recovery of principal of the advance shall be made in not more than **225** monthly instalments and then the interest of the advance shall be recovered in not more than **75** monthly instalments.

It will be open to the Government employees to repay the advance amount in a shorter period if they so desire. In any case, the entire House Building Advance together with interest

accrued thereon must be repaid in full before the date on which they are due to retire from service.

7. **Eligibility:**

- a) All Permanent State Government employees.
- b) Permanent All-India Services Officers allotted to the State.
- c) Permanent All-India Services Officers allotted to the State but on deputation to Central Government for a continuous period not more than six years.
- d) Regular Government employees not falling in categories (a), (b) and (c) above who have rendered at least five years of continuous service provided that the sanctioning authority is satisfied that they are likely to continue in the service of the State Government at least till the house (for which the advance is sanctioned) is built and mortgaged to Government.
- e) In case where both husband and wife happen to be State Government employees and eligible for grant of House Building Advance then the advance shall be admissible to one of them only.
- f) The above facility of House Building Advance shall be admissible to the Government employees (All India Service Officers and State Government) covered under NPS.

8. The provisions of this Office Memorandum shall be applicable to fresh applicant only. This shall not be applicable to the Government employees who have already availed the advance fully or partly.

9. It has been decided that wherever required, second mortgage of property shall be permitted by the State Government for obtaining additional loan from Rural Housing Corporation/different banks. While permitting the second mortgage in favour of such financing institutions, the date of retirement, the repaying capacity etc. shall be taken into account and the applicant is required to give a written consent in the Form prescribed at Annexure-I to the effect that un-recovered principal and interest can be recovered from his/her GPF/ Pension, Commuted Value of Pension, DCRG and other pre and post retirement dues.

10. The provisions of this Office Memorandum shall be applicable to the Judges of the Odisha High Court, all regular State Government employees and All India Service Officers serving in the affairs of the State Government.

11. All the other conditions as stipulated in Finance Department Resolution No.21246/F, dt.22.06.1959 and F.D. Resolution No .Codes-22/59-6251/F, dt.04.03.1960 read with Finance Department Office Memorandum No.45557/F, dt.21.11.1984 and Finance Department Office Memorandum No.40704/F, dt.30.07.1987, F.D.O.M. No.43825/F, dt.15.10.1998 and F.D.O.M No.4470/F, dt.02.02.2010 shall remain unaltered provided that they are not inconsistent with the provisions indicated in paras 3 to 10 of this Office memorandum.

12. Consistent with those revised provisions necessary provisions under rules regulating grant of House Building Advance would be modified in due course.

13. This order shall take effect from the date of issue of this Office Memorandum.

*J. Meena*  
13/08/2022

(A.K.K. Meena)  
**Principal Secretary to Government**

Memo No. 17503 /F,

Date 13/08/2022

Copy forwarded to Principal Secretary to Governor /Secretary to Chief Minister / P.S. to Minister, Finance / P.S. to Chief Secretary / P.S. to DC-cum-ACS / P.S. to Principal Secretary, Finance Department / Principal Accountant General (A&E) Odisha / Accountant General (Audit), Odisha, Bhubaneswar / Deputy Accountant General, Puri, Odisha / All Departments of Government / All Heads of Department / Secretary, Lokpal, Odisha / All Financial Advisers / All Assistant Financial Advisers / All Collectors / All Sub-Collectors / DT&I (O) / All Treasury Officers of District Treasuries, Special Treasuries and Sub-Treasuries / Director, Madhusudan Das Regional Academy of Financial Management, Chandrasekharapur, Bhubaneswar / Principal, Shorthand and Typewriting Institute, Bhubaneswar / Registrar of All Universities / Principal, Secretariat Training Institute, Bhubaneswar / Director General, Gopabandhu Academy of Administration, Chandrasekharapur, Bhubaneswar for information and necessary action.

*J. Meena*  
13/08/22

**Deputy Secretary to Government**

Memo No. 17504 /F,

Date 13/08/2022

Copy forwarded to All Officers /All Branches of Finance Department including for information.

*J. Meena*  
13/08/22

**Deputy Secretary to Government**

Memo No. 17505 /F,

Date 13/08/2022

Copy forwarded to Portal-in-Charge, FID, Finance Department with a request to upload this Office Memorandum in the Website of Finance Department at [www.finance.odisha.gov.in](http://www.finance.odisha.gov.in) for general information.

*J. Meena*  
13/08/22

**Deputy Secretary to Government**

**ANNEXURE-I**

**Application Form for giving consent for availing the House Building Advance/Additional House Building Advances**

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I.....son of .....resident of ..... in the Dist. of ..... at present employed as ..... in the..... Department/Office, do hereby give my free and full consent to the effect that if any amount of principal and interest in respect of House Building Advance / Additional House Building Advance availed of by me from State Government / Orissa Rural Housing & Development Corporation Ltd. / any other financing institutions remains unrecovered at the time of retirement, the said amount shall be recovered from my G.P.F. / Pension including T.I. / Commuted Value of Pension / Death-cum-Retirement Gratuity and other pre and post retirement dues.

2. This consent is final and will not be modified at any subsequent date.

Signature:

Designation:

Date.....

Official Address:

Witness:

(With full official address)

Place.....

Date.....

**Accepted**

Signature:

Date.....

Head of Office / Competent Authority  
(Official Seal)