



**GOVERNMENT OF KERALA**

**Abstract**

House Building Advance sanctioned to State Government Employees from 2009-10 onwards-Transfer of Principal portion of Housing Loan Portfolio to Punjab National Bank and Federal Bank Ltd-Operating Procedure for repayment to banks-Orders issued.

**FINANCE(House Building Advance)DEPARTMENT**

**G.O.(P)No.166/2018/Fin**

**Dated, Thiruvananthapuram 26/10/2018**

Ref: G.O.(P)No.150/2018/Fin dated 25/09/2018.

**ORDER**

As per Government Order read as 1<sup>st</sup> above, Government have ordered to transfer Principal portion of housing loan portfolio sanctioned to State Government Employees (those drawing salary through SPARK) amounting to Rs.369,21,70,313/- to Federal Bank Ltd with 6962 accounts and Rs.376,54,55,290/- with 6963 accounts to Punjab National Bank at an interest rate of 8.45% with one year reset. The total amount of Rs.745,76,25,603/- (Rs.369,21,70,313+Rs.376,54,55,290) was credited to the head of account "7610-00-201-98 HBA State Service Officers" on 28/09/2018 and 29/09/2018 respectively.

Government would continue to administer the house loans as per HBA rules in force and effect recoveries from the salary of employees as being done. The repayment to the banks on transfer of loan portfolio would be made by Government. A special Treasury Savings Bank Account (No.799011400004931, District Treasury Thiruvananthapuram) is operational now for remittance of repayment made by loanees against their principal portion of HBA dues. The amounts so remitted shall be transferred to the Banks that have taken over loan portfolio of employees.

It has come to the notice of the Government that repayment pertaining to October and November/2018 of the employees likely to be booked under receipt side of head of account "7610-00-201-98 HBA State Service Officers" instead of under Special Terasury Savings Account. In order to adjust this

amount, Government Orders that repayment made by employees under the receipt side of head of account 7610-00-201-98 HBA State Service Officers after the taking over of loans by Banks shall be deducted through minus receipt of the same head and shall be transferred to the above TSB account for effecting payments to Banks.

The above adhoc measure shall be dispensed with the full fledged introduction of mechanism of direct remittance of HBA repayment by the employees to the Special TSB account opened for the purpose. As per the agreement with Punjab National Bank and Federal Bank Ltd, the rate of interest of takeover loan will be 8.45% with one year reset. The rate of interest of Government HBA is at 8.00% p.a. The difference in interest rate will be redeemed to banks by Government by way of providing interest subvention.

Finance(HBA)Department will issue Order every month for repayment of instalments to banks based on the invoice submitted by them and the same is debited from the Special Treasury Savings Bank Account for the payment to banks.

( By order of the Governor)

Sanjeev Kaushik IAS  
Principal Secretary (Finance Resources)

To :-

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

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

All Heads of Departments and Offices.

All Departments ( All sections) of the Secretariat.

All Additional Chief Secretaries, Principal Secretaries, Secretaries, Special Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries and Under Secretaries to Government.

The Secretary to Governor, Raj Bhavan, Thiruvananthapuram.

The Private Secretaries to the Chief Minister/Ministers/Government Chief Whip/ Leader of Opposition.

The Private Secretaries to the Speaker and Deputy Speaker.

The Additional Secretary to the Chief Secretary.

The Secretary, Kerala Legislature Secretariat Thiruvananthapuram.

The Chief Information Commissioner, Kerala, Thiruvananthapuram.

The Chief Election Commissioner, Kerala, Thiruvananthapuram.

The Secretary, Kerala State Human Rights Commission, Thiruvananthapuram.  
The Secretary, Kerala Public Service Commission, Thiruvananthapuram.  
The Registrar, High Court of Kerala, Ernakulam  
The Advocate General Ernakulam/Thiruvananthapuram.  
The Registrar, Kerala Administrative Tribunal, Thiruvananthapuram.  
The Registrar Kerala Lok Ayuktha, Thiruvananthapuram.  
The Registrar, Ombudsman, Local Self Government Institutions,  
Thiruvananthapuram.  
The Chief Project Manager SPARK PMU, Thiruvananthapuram.  
The Chief Manager, Punjab National Bank, Medical College Branch,  
Thiruvananthapuram.  
The Asst Vice President & Branch Head, Federal Bank Ltd,  
Thiruvananthapuram Statue.  
The Director of Treasuries, Kerala, Thiruvananthapuram  
The District Treasury Officer, Thiruvananthapuram.  
The Sub Treasury Officer, Sub Treasury, Government Secretariat,  
Thiruvananthapuram.  
Finance Accounts (A&B) Department.  
The DDO Finance (Accounts) Department.  
✓ The Nodal officer, Finance ([www.finance.kerala.gov.in](http://www.finance.kerala.gov.in))  
The Stock file/Office Copy.

Forwarded/ By Order



Section Officer