

## **Housing Loan – West Bengal Govt. Employees**

### **Recovery of Housing Loan from State Govt. Employee:**

The principal and interest will be recovered in Equated Monthly Installments (EMI) as per repayment schedule to be furnished by Bank for recovery from monthly salary bill of the employee. The DDO of the concerned employee shall recover the EMI from the salary of the employee and remit the amount every month to the concerned linked branch of the bank to be specified separately as per declaration of the incumbent concerned with the application form. The form of assent of employee about deduction of EMI is to be furnished by the employee on the body of the application form as per format. DDO of the employee's (loanee's) office will send the total amount recovered for the cases of that office monthly by the 15th of working day of the following month to the linked bank with a statement showing the position of recovery for all cases.

The EMI will be fixed so that the loan will be fully repaid within maximum period of 240 months or the remaining period of service of the State Govt. Employee whichever is earlier. Repayment of the housing loan shall commence from the next month by way of deducting from salary bill after the month of receiving of first installment of housing loan by the loanee employee.

In case of deputation in Foreign Service, modalities of the recovery will be incorporated into the terms of deputation.

In the event of transfer of the employee, the amount to be recovered and the link branch tagged to the Treasury/ DDO concerned will have to be incorporated in the employee's last pay certificate (LPC).

If for any reason the employee does not get monthly salary or there is a shortfall in his monthly salary for recovery of EMI in any month, the payment of usual EMI shall be decided in consultation with the Finance Department of the State Govt. and the Bank.

In case the employee commits breach of any of conditions under which the loan is sanctioned, the entire amount of loan with interest shall become payable in lumpsum and shall be recoverable under the provisions of the Public Demand Recovery Act.

Balance amount, if any outstanding at the time of retirement, may be adjusted from the superannuation benefits. An undertaking to that effect will be obtained from employee concerned by the branch processing the loan.

### **Remittance to the Bank:**

The DDO concerned will arrange to deduct the EMI from the monthly salary bill of concerned employee as per repayment schedule given by the bank and as authorized by the employee concerned and prefer the bill to the respective Pay & Accounts Officer/ Treasury/ Sub-Treasury/ Post Audit Cheque Drawing Officer. A copy of the repayment broadsheet is to be prepared separately as per specimen. The Broadsheet will indicate the name of the loanee employee with designation and name of the office where he is posted at the time of deduction, employees code number will be

the same as the General Provident Fund Account Number of respective employee. Bank may also use the same with the Housing Loan Account of respective Govt. employee.

After giving effect of deduction of EMI of Housing Loan, a consolidated cheque will be drawn in favour of Branch Manager of concerned linked branch manager as will be indicated in the repayment schedule, covering all loanee employees containing in such Acquittance Rolls. Cheque Drawing Authority. Cheque drawing authority as indicated above will issue two separate cheques. One will cover salary components (net) and other the EMI of the Housing Loan of the employee. The concerned DDO will send the cheque along with repayment broadsheet to the concerned linked branch to whom it has been drawn for remittance to each loan employee's loan account towards recovery of EMI on housing loan by 15th working day of the subsequent month.

In the event of transfer of the loanee employee, the bank branch after receipt of the proceeds of EMI of the concerned employee from the DDO of the new office to which the employee is presently attached on his transfer will end the amount of EMI by the internal mechanism of bank to their branch from where the employee has originally taken his housing loan and where record is maintained thereunder. The original to the home loan account of the concerned employee. At the same time DDOs should invariably mention the 'Home Loan Account' number together with other particulars in the concerned employees Last Pay Certificate. They may also keep the branch apprised of the employees transfer to the new station. This will enable the two branches (both transfer and transferee) to arrange for smooth transfer/ acceptance and credit of the EMI in the loanee employee's Home Loan Account.

### **Return of Mortgage Deeds/ Agreement:**

After full repayment of the Housing Loan along with interest accrued thereon, bank will issue a complete recovery certificate. Bank will return all requisite papers and Deeds/ Agreement duly mortgaged and deposited with them against Housing Loan to the loanee State Govt. employee immediately along with complete loan recovery certificate. Concerned branch wherefrom loan would be sanctioned and equitable mortgage would be created, will issue the certificate showing complete repayment of Housing Loan along with interest and discharge the mortgaged deed after all the EMIs are paid to the loanee employee concerned direct on the basis of authority given by the DDO concerned.