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## COAL MINES AUTHORITY LIMITED

Rules to regulate the grant of advances to the Company's employees for building and construction of houses

(Approved by CMAL Board on 26th July, 1974)

Corrected upto 9.1.1990

**1. Eligibility :** House Building Advance may be granted to the following categories of Company's employees :

- (a) Permanent company employees.
- \* (b) Company's employees not falling in category (a) above who have rendered continuous service as given below :
  - (i) 7 years upto/before 31.3.80
  - (ii) 8 years upto/before 31.3.81
  - (iii) 9 years upto/before 31.3.82
  - (iv) 10 years after 31.3.82

**Note :** (i) In case where both the husband and wife happen to be company employees and eligible for the grant of advance, it shall be admissible to only one of them.

- (ii) In respect of employee of Govt. Organisations/Public Sector Undertaking joining CIL as a fresh appointee after severing lien from the previous employees, the permanent status earned by them in that organisation and/or the period of continuous services rendered by them in the said organisations immediately before joining CIL shall also be counted for the purpose of this rule for grant of house building advance to them. In such cases, no further examination of the documents pertaining to the properties against which loan had been advanced by their erstwhile employers will be necessary. However, the employee will be required to create a fresh mortgage of the concerned property in favour of CIL as per HBA Rules of CIL. In such cases payment will be made directly to the previous employer from whom the advance was taken and not to the employee.

**2. Conditions to be fulfilled —** An applicant for the grant of an advance must satisfy the following conditions :

- (A) He must not have availed of any loan or advance for acquisition of a house in the past from any Government source (e.g. Ministry of Rehabilitation or a Central or State Housing Scheme), or drawn an advance or made a final withdrawal from his provident fund in connection with the acquisition of a house, provided, however, where the loan or advance, already availed of does not exceed the amount



admissible under these rules it would be open to the company's employee concerned to apply for an advance under these rules one condition that he undertakes to repay the outstanding loans, advances, (together with interest (if any) thereon forthwith in one lump sum to the Ministries/Departments concerned.

\*Substituted vide CIL's O.M. No. C-5(B)/50724/II/802 dated 7.3.1980.

\*\*Added vide CIL's O.M. No. C-5A (vi)/50724/V/70 dated 18.6.1986.

(B) Neither the applicant, nor the applicant's wife/husband/minor child must be the owner of a house. However, this condition may be relaxed by the company in exceptional circumstances, for example, if the applicant's wife/husband/minor child owns a house in a village, and the applicant desires to settle down in a town or where an applicant happens to own a house jointly with other relatives, and he desires to build a separate house for his bonafide residential purposes.

\*(C) The floor area of the house to be constructed or purchased must not be less than "22 sq. m."

### 3. Purposes for which advance may be granted

An advance may be granted for :

\*\* (a) Constructing a new house (including acquisition of a suitable plot of land for the purpose), either at the place of duty or at the place where the Company servant proposes to settle after retirement. Application for advance for purchasing a ready built house or for repayment of any outstanding amounts on accounts of loans expressly taken from Govt. organisations/Public Sector Undertakings together with interest accrued thereon subject to the overall ceiling limit of the House Building Advance for the purpose aforesaid before the date of receipt of application for advance, may also be considered.

\*\*\* (b) Enlarging living accommodation in an existing house owned by the company employee concerned or owned by the company employee jointly with his/her wife/ husband, the total cost of the proposed additions and extensions does not exceed Rs. 60,000/-.

### 4. Amount of Advance

(a) Not more than one advance shall be sanctioned under these rules to a company servant during his entire service.

(b) Applicants may be granted an advance not exceeding 75 months pay (including Dearness Pay, Personal Pay and Special Pay, DA, VDA and FDA where admissible) or Rs. 2,50,000/- whichever is less, for the following purposes :

(i) Construction of a new house on the plot owned by the employee or the employee and his/her wife/husband jointly provided they mortgage the house jointly.



- (ii) Purchasing a plot and constructing a house thereon.
- (iii) Purchasing a plot under co-operative Schemes and constructing a house thereon.
- (iv) Outright purchase of a new and unoccupied ready built house/flat from Housing Boards, Development Authorities and other statutory or, semi-Govt. bodies, co-operatives and also from private parties.

\*Substituted vide CIL's OM. No. C-5 (B)/50724/II/802 dated 7.3.80.

\*\*Substituted vide CIL's O.M. No. C-5A (vi)/50724/V/70 dated 18.6.86.

\*\*\*Amended vide CIL's O.M. No. C-5A (vi)/50724/V/118 dated 25.9.89.

- (v) Repayment of loan and/or advance taken by the applicant for constructing or purchasing a house.
- \*(vi) Acquiring of flats/houses through membership of co-operative group housing societies, subject to the following conditions :

(A) (i) The applicant shall execute a Personal Bond in the prescribed form and also furnish two sureties in the prescribed form. The surety bond shall be executed jointly by two sureties who are permanent employees of Coal India and its subsidiaries of same status as that of the applicant or of higher status having sufficient length of service upto the period of recovery of advance with interest from the loanee.

(ii) The surety should not be husband/wife of member of the same joint family and should not have stood surety for any one else.

(iii) The amount of advance shall not exceed 75 months pay (including DA) or Rs. 1,25,000/- or the cost of the flat whichever is the least, as admissible under the rules.

(B) The amount of house building advance sanctioned to an employee shall be disbursed in the following manner :

(i) A sum equal to 30% of the advance sanctioned shall be payable to the applicant on his executing the Bond and on furnishing two sureties in the prescribed form.

(ii) The remaining amount of the house building advance sanctioned to an employee shall be disbursed in suitable instalments as fixed by the sanctioning authority at the time issue of sanction, on the basis of the payment schedule of the flat furnished by the concerned co-operative group housing society. For each disbursement the employee shall produce a demand letter from the housing society indicating the progress of the construction, the correctness of which may be verified by the sanctioning authority by arranging inspection of premises.



- (iii) The original agreement between the housing society and the applicant, the share certificate issued by the society, the letter from the society allotting the flat to the members and original receipts for payment should be produced for verification by the loanee.

A certificate that the co-operative society is registered with the Registrar or Co-operative Societies of the concerned State shall also be produced.

- (C) On transfer of the ownership of the flat in favour of the employee, the employee will mortgage it to the company as surety for the loan obtained from the Company.

\*Added vide CIL's O.M. No. CIL/C-5A (vi)/50724/IV/425 dated 18.1.85.

Subject to the provision that the employee (i.e. borrower) is in a position to make a personal investment of not less than 5% of the total estimated cost of the house or of the land and the house taken together in cases covered by Rule 3 (a) above. The actual amount of advance to be sanctioned will be determined by the Managing Director/Functional Director on the basis of plans and the detailed specifications and estimates to be furnished by applicants justifying the amount of advance applied for, and shall in no case exceed the estimated cost of construction/purchase and/or redemption within the ceiling prescribed above.

**Note :** Pay at the time of Competent Authority's approval and no subsequent increase by way of promotion, transfer, increment etc. will be taken into consideration.

#### **Repaying Capacity**

- \*4. (c) The advance shall be restricted to the amount which the employee may be expected to be in a position to repay by convenient monthly deductions from his/her pay before the date of his/her superannuation under the rules of the company and partly if necessary from the gratuity that the employee may be eligible for under the service rules of the company.

\*\*For this purpose, it shall be taken that an employee shall commence repayment of advance 18 months after the payment of the advance by the competent authority and that instalment calculated upto 50% of pay will be within his paying capacity.

\*\*\*Provided that in respect of employees governed by the payment of Wages Act, the repaying capacity would be assessed taking into consideration the limits of deductions stipulated in Section 7(3) of the said Act.

#### **Clarification**

\*\*\*\* The house building advance should be restricted to amount which the employee is in a position to repay before the date of his superannuation taking his monthly



repaying capacity to be 50% of his pay. In the cases where the recovery of the total advance cannot be effected within the stipulated time for unforeseen reasons such as long leave without pay, termination of service, voluntary retirement, resignation, death, etc., the amount of outstanding house building advance is to be recovered from the gratuity of the employee.

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\*Incorporated vide CIL's O.M. No. CIL/C-5A (vi)/50724/IV/900 dated 8.12.83.

\*\*Substituted vide CIL's O.M. No. CIL/C-5A (vi)/50724/IV/181 dated 31.7.85.

\*\*\*Added vide CIL's O.M. No. CIL/C-5A (vi)/50724/V/12 dated 7.4.86.

\*\*\*\*Interpreted vide CIL's O.M. No. CIL/C-5A (vi)/50724/V/281 dated 4.2.87.

## 5. Disbursement and Security

(a) 1. Advance required partly for purchase of land and partly for constructing a new house or enlarging living accommodation in an existing house shall be paid as follows :

(i) An amount not exceeding 20 per cent of the admissible amount will be payable to the applicant for purchasing a plot of land on his executing an agreement in the prescribed form for the repayment of the advance. In all cases in which part of the advance is given for the purpose of land, the land must be purchased and the sale-deed in respect thereof produced for the inspection of the Head of the Department concerned within two months of the date of which the above amount of 20 per cent is drawn failing which the applicant shall be liable to refund at once the entire amount to the company together with interest thereon.

(ii) An amount equal to 30% of the balance of the advance will be payable to the applicant on his mortgaging in favour of the company the land purchased by him alongwith the house to be built thereon where such mortgage is permitted by the terms of the sale of land. In cases where the terms of sale do not vest title in the purchaser till a house is erected on the land, the applicant shall execute an agreement with the company in the prescribed form agreeing to mortgage the land together with the house to be built thereon, as soon as the house has been built and the title to the property is completed.

\*The mortgage can also be effected by the employee concerned by simple deposit of the title deeds/documents accompanied by written memorandum (Equitable Mortgage) determining the scope and extent of the Security in notified areas.

(iii) An amount equal to 40% of the amount remaining after deducting from the sanctioned amount of the advance the instalment given for the



purchase of land will be payable when the construction of the house reaches plinth level.

- (iv) The balance of the sanctioned advance will be payable when the construction of the house has reached roof level provided the head of department is satisfied that the development of the area in which the house is built is complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.
2. Advance required only for constructing a new house or enlarging living accommodation in an existing house shall be paid as follows :

- (i) An amount equal to 30% of the sanctioned advance will be payable to the applicant on his mortgaging in favour of the company the land purchased by him alongwith the house to be built thereon where such mortgage is permitted by the terms of the sale of land. In cases where the terms of sale do not vest title in the purchaser till a house is erected on the land the applicant shall execute an agreement with the company in the prescribed form agreeing to mortgage the land together with the house to be built thereon, as soon as the house has been built and the title to the property is complete.

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\*Added vide CIL's O.M. No. C-5 (B)/50724/II dated 21.1.1980.

\*The mortgage can also be effected by the employee concerned by simple deposit of the title deeds/documents accompanied by written memorandum (Equitable Mortgage) determining the scope and extent of the security in notified areas.

- (ii) A further amount not exceeding 40% of the sanctioned advance will be payable when the house has reached plinth level.
- (iii) The remaining 30% of the sanctioned advance will be payable when the house has reached roof level, provided the Head of Department is satisfied that the Development of the Area in which the house is built is complete in respect of amenities such as water supply, street lighting, roads, drainage and sewerage.

3. Advance required either for purchasing a ready built house or for repaying a loan taken by the applicant for constructing or purchasing a house shall be paid as follows :

- (a) The Head of Department may sanction payment of the entire amount required by, and admissible to the applicant in one lump sum on the applicant's executing an agreement in the prescribed form for the repayment of the loan. The acquisition of the houses must be completed, and the house mortgaged to company within 3 months of the drawal of the



advance, failing which the advance together with the interest thereon shall be refunded to company forthwith, unless an extension of this time limit is granted by the Head of the Department concerned.

(b) In addition to their executing the agreement/mortgage referred to in sub-paragraph (a) above, the following three categories of applicants shall also be required to furnish the surety of an approved permanent company employee in the prescribed form before the sanctioned advance or any part thereof is actually disbursed to them :

(i) All applicants who are not permanent company servants ;

(ii) All applicants who are due to retire from Service within a period of 18 months following the date of application for the grant of an advance; and

(iii) All applicants who are permanent company employee but not covered by sub-paragraph (ii) above if they require the advance for purchase of a ready built house or repayment of earlier loan(s) taken for construction/purchasing a house.

**Note :** (i) The liability of the surety will continue till the house built/purchased/redeemed is mortgaged to company or till the advance together with the interest due thereon is repaid to the company whichever happens earlier.

(ii) Utilization of the advance for a purpose other than that for which it is sanctioned shall render the company employee liable to disciplinary action under the company's conduct and discipline rules, apart from his being called upon to refund to company forthwith the entire advance drawn by him (together with interest thereon calculated as in Rule 6).

// \*Added vide CIL's O.M. No. C-5 (B)/50724/II dated 21.1.1980.

## 6. Interest

(a) Advance granted under these rules shall carry simple interest from the date of advance the amount of interest being calculated on the balances outstanding on the last day of each month. The interest to be charged on the advances given on 28th July '78 or thereafter shall be at the rates mentioned below :

(i)  $6\frac{1}{2}\%$  for the first Rs. 25,000/-

\* (ii)  $8\%$  for there Rs. 25,000/-

(iii)  $10\%$  for the next Rs. 20,000/-

In the process of recovery of advance, the portion of the advance carrying higher rate of interest shall be treated as having been refunded first.

\*\* (b) The reduction in the rate of interest effective from 28.7.78 will be granted to the debtors on the outstanding amount of loan as on 28.7.78. subsequent enhance-



ment/reduction in the rate of interest, if any, will also be made applicable to the debtors on the outstanding balance of the loan from the date of such revisions.

- (c) The interest to be charged on the advances given on the enhanced limited of HBA of Rs. 2,50,000/- on or after 23rd August 1989 would be as under :

Amount of Advance	Rate of Interest
(a) For first Rs. 25,000/-	6½%
(b) For next Rs. 25,000/-	8%
(c) For next Rs. 25,000/-	10%
(d) For next Rs. 1,75,000/-	12%

The above amendments will be effective from the date of Board's approval i. e. 23rd August, 1989.

(d) Amount of Advance	Rate of Interest per annum
(a) 1st Rs. 25,000/-	6.5%
(b) In excess of :	
(i) Rs. 25,000/- and upto Rs. 50,000/-	7%
(ii) Rs. 25,000/- and upto Rs. 1 lakh	8%
(iii) Rs. 25,000/- and upto Rs. 1.50 lakhs	9%
(iv) Rs. 25,000/- and upto Rs. 2 lakhs	10%
(v) Rs. 25,000/- and upto Rs. 2.25 lakhs	10.5%
(vi) Rs. 25,000/- and upto Rs. 2.50 lakhs	11%

The above rate will be applicable on HBA granted on or after 1-11-1989.

**Clarification :**

The decision of the CIL Board in its 105th Meeting held on 7th November, 1989 regarding the rate of interest to be charged on House Building Advance was communicated vide this Office Memorandum No. CIL : C5A (vi) / 50724 / V / 204 dated 29th November 1989. It was mentioned that the rates would be applicable on House Building Advance granted on or after 1st November '89.

2. On re-consideration of the matter, it is clarified that the revised interest would equally apply on outstanding loan on 1-11-1989 from that date. Upto 31-10-1989 the old rates of interest would apply in such cases.

\* CIL's OM No. C-5A(vi)/50724/V/118 dt. 25-9-89.

\*\* CIL's OM No. C-5A(vi)/50724/V/204 dt. 29-11-89.

\*\*\* CIL's OM No. C-5A(vi)/50724/V/256 dt. 09-1-90.

- (c) The interest to be charged on the portion of the house building advance in excess of Rs. 70,000/- and upto Rs. 1,25,000/- sanctioned on or after 8.12.83 shall be at the following rates :

- \*\*\* (i) Rs. 70,000/- to Rs. 75,000/- : 10% per annum  
(ii) Rs. 75,001/- to Rs. 1,25,000/- : 12% per annum



## 7. Construction, Maintenance, etc.

- (a) The construction of the house or additions to living accommodation in an existing house, as the case may be shall be :

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\* Substituted vide CIL's O.M. No. C-5 (B)/50724/678 dated 20.10.78.

\*\* Added vide CIL's O.M. No. C-5 (B)/50724/III/05 dated 7.4.81.

\*\*\* Added vide CIL's O.M. No C-5A (vi)/50724/V/201 dated 12.8.85.

- (i) Carried out exactly in accordance with the approved plan and specifications on the basis of which the amount of advance has been computed and sanctioned. The plan and specifications must not be departed from without the prior concurrence of the Managing Director(s)/Functional Director(s). The company employee shall certify, when applying for instalments of advance admissible at the plinth/roof level, the construction is being carried out strictly in accordance with the plan and estimates furnished by him to the company that the construction has actually reached plinth/roof level, and that the amount already drawn has actually been used on the construction of the house. The head of Department may, if necessary arrange to have inspection carried out to verify the correctness of the certificates; and
- (ii) Completed within 18 months of the date on which the first instalment of the advance is paid to the company employee concerned. Failure to do so will render the company employees liable to refund the entire amount advanced to him (together with interest thereon calculated as in rule 6 above), in one lump sum. An extension of the time limit may be allowed upto one year by the Head of Department, and for longer period by the company, in these cases where work is delayed due to circumstances beyond his control. The date of completion must be reported to the Head of Department concerned without delay.

### Clarification

1. In terms of rule 7 (a) (i) of the House Building Advance Rules, the loanee has to satisfy the Head of the Department regarding correctness of the certificates produced by the loanee of construction at various stages for release of instalments of advance.
2. Instances have come to notice in which carrying out of inspection of the premises takes considerable time particularly when employee constructs house in far off places. As a result of this, the loanees experience difficulties in drawal of subsequent instalments of house building advance.
3. The matter has been examined and in order to remove the difficulties it has been decided that in such exceptional cases, the instalments of the house building advance at various stages of construction may be released on the basis of certificates issued by



qualified and registered Engineers/Architects regarding house having reached upto plinth/roof level.

- (b) Immediately on completion or purchase of the house or redemption, as the case may be, the company employee concerned shall insure the house, at his own cost, with the National Insurance Company (A Govt. of India Undertaking) for a sum not less than the amount of the advance and shall keep it so insured, against damage, fire, flood or lighting, till the advance is fully paid to company and deposit the policy with his head of Department. The premium must be paid regularly and the premium receipts produced for inspection by the appropriate authority (viz. Head of Office or department concerned). The head of Department/Accounts Officer will obtain from the company employee drawing the advance a letter to the Insurer with which the house is insured to notify to the letter the fact that company is interested in the Insurance Policy secured. The head of Department/Accounts Officer will himself forward the latter to the Insurer and obtain his acknowledgement. In the case of insurances effected on annual basis, this process should be repeated every year until the advance has been fully repaid to company.
- (c) The house must be maintained in good repair at his own cost by the Company employee concerned. He shall also keep it free from all encumbrances, and shall continue to pay all the Municipal and other local rates and taxes regularly until the advance has been paid to company in full. The company employee shall furnish an annual certificate to this effect to the Head of Department.
- (d) After the completion of the House, annual inspection may be carried out by any authorised Officer under instructions from the Head of Department concerned, to ensure that it is maintained in good repair until the advance has been repaid in full. The company employee concerned shall afford full facility for those inspections to the officer(s) designated for the purpose.

**Note :** Furnishing the false certificate will render the company employee concerned liable to suitable disciplinary action apart from his being called upon to refund to the Company forthwith the entire advance drawn by him.

#### **8. Repayment of the Advance**

- (a) The advance granted to a company employee under these rules, together with the interest thereon shall be repaid in full by monthly instalments within a period not exceeding 20 years.

First the recovery of the advance shall be made in not more than 180 monthly instalments and then interest shall be recovered in not more than 60 monthly instalments.



Note : (i) The amount to be recovered monthly shall be fixed in whole rupees, except in the case of the last instalment when the remaining balance including any fraction of a rupee shall be recovered.

(ii) Recovery of advance granted for constructing a new house or enlarging living accommodation in an existing house shall commence from the month following the completion of the house or the 18 months after the date on which the first instalment of the advance is paid to the company servant, whichever is earlier. In the case of advances taken for purchasing a ready built house or for repaying earlier loans (including those from private parties) taken for purchasing or constructing a house, recovery shall commence from the pay of the month following that in which advance is drawn.

(iii) It will be open to company employee to repay the amount in a shorter period of their so desire. In any case, the entire advance must be repaid in full with interest thereon before the date on which they are due to retire from service.

\* (iv) In order to avoid undue hardship to a company employee who is due to retire within 20 years of the date of application for the grant of an advance, the Head of the Department may permit him to repay the advance with interest in convenient monthly instalments (the amount of which shall not be less than the amount of monthly instalments on the basis of repayment within the period of 20 years) during the remaining period of his service provided he gives an undertaking authorising the company to recover the entire outstanding amount from the gratuity that may be payable and any other retirement benefits that may be sanctioned to him or in the event of his death to realise the outstanding balance from any benefit that may be payable to his estate. In any event the Company will have liberty to enforce the deed of mortgage which will be executed by the employee in favour of the company.

(v) In case the company employee does not repay the balance of the advance due to the company on or before the date of his retirement, it shall be open to the company to enforce the security of the mortgage at any time thereafter, and recover the balance of the advance due together with interest and cost of the recovery, by sale of house or in such other manner as may be permissible under the law.

(b) Recovery of the advance shall be effected through the monthly pay leave salary bills of the company employee concerned by the Head of the office or the Accounts Officer concerned, as the case may be. These recoveries will not be held up or postponed except with the prior concurrence of the Company.



- (c) If a company employee ceases to be in service for any reason other than normal retirement/superannuation, or if he/she dies, before repayment of the advance in full, the entire outstanding amount of the advance shall become payable to the company forthwith. The company may, however, in deserving cases, permit the company employee concerned, or his successors in interest, as the case may be or the sureties in cases covered by Rule 5 (b) if the house has not been completed and/or mortgaged to the Company by that time, to repay the outstanding amount together with interest thereon calculated as in Rule 6 above, in suitable instalments. Failure on the part of the company employee concerned or his successors, as the case may be, to repay the advance for any reason whatsoever, will entitle the company to enforce the mortgage and take such other action to effect recovery of the outstanding amount as may be permissible.
- (d) The property mortgaged to the company shall be reconveyed to the company employee concerned (or his successors in interest, as the case may be) after the advance together with the interest thereon has been repaid to the company in full.

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\* Substituted by CIL's O.M. No. CMA/Apex/AD (P)/House Building Adv./23 dt. 16.1.75.

#### **9. Procedure for dealing with applications**

- (a) Applications should be submitted by Company employee to the Head of their Department in the prescribed form (in duplicate) through proper channel. The following documents should accompany the applications :
- (i) A declaration in regard to the house property, if any, owned by the applicant or the applicant's wife/husband/minor children at the time of application.
  - (ii) If the advance is required for enlarging living accommodation in an existing house, or for repaying earlier loans taken for constructing or purchasing a house, an attested copy of the sale deed as well as of documents if any, establishing that the applicant possesses indisputable title to the property in question. A site plan should also be furnished where advance is required for repayment of earlier loan(s) authentic evidence indicating the outstanding amount(s) of the loan(s) in question should also be furnished; and
  - (iii) In cases where applicants happen to be in possession of land and desire to build a new house on it, a copy of the sale deed or the other proof of the applicant having clear title to land on which the house is proposed to be built, alongwith a site plan. If the land happens to be lease-hold, an attested copy of the lease-deed should also be enclosed.



- (b) The head of Departments will scrutinize the application and satisfy themselves of the correctness of the facts, etc. stated therein. They will also examine the title deeds, etc. furnished in compliance with sub-rules (ii) and (iii) above (in consultation with their law officers and revenue and registration authorities, if necessary) to make sure that the applicant does, in fact, possess a clear title to the property in question. After this has been done, the Head of Department will forward the applications to the Managing Director/Functional Director alongwith their recommendations.
- (c) The Managing Director/Functional Director will examine the applications with reference to the priorities, etc. if any, laid down for dealing with them. Subject to funds being available, the applications will be returned to the Head of Department concerned indicating :
  - (i) The amount of advance that may be sanctioned by the Head of Department where it happens to be required partly for purchasing a plot of land for constructing a house (see also sub-rules d (ii) and (c) below), or required for repaying earlier loan(s) taken for constructing or purchasing a house, or for purchasing a ready built house, and
  - (ii) The monetary limit upto which the grant of an advance could be considered in due course, in other cases (viz. for constructing a new house or for increasing living accommodation in an existing house).
- (d) On receipt of the approval of the Managing Director/Functional Director :
  - (i) Formal sanction to the grant of advance to applicants in cases covered by sub-rule(c) (i) above will be accorded by the Head of Deptt. concerned who shall also arrange to complete the prescribed formalities, such as execution of agreement, mortgage deed, surety bond, undertaking etc. in the prescribed forms (in consultation with appropriate legal authorities where necessary), and then scrutinize disbursement of an appropriate amount out of the sanction advance to the applicant. Where land or a ready built house is intended to be purchased, with the help of the advance, the Head of Department may, before authorising payment of the advance, also require the company employee concerned to certify that the negotiations for the purchase have reached concluding stages, that purchase price is not likely to be less than the amount of advance sanctioned, and that he has satisfied himself that the transaction will enable him to acquire indisputable title to the land/house in question in such cases, the sale deeds, etc. should be examined by the Head of Department carefully (in consultations with legal and other authorities where necessary) to ensure that the company employee concerned has actually acquired indisputable title to the property in question. It should also be verified that the market value of the land/house purchased is not less than the advance sanctioned; and
  - (ii) The Head of Department shall instruct applicants desirous of constructing a new house or enlarging living accommodation in an existing house, to furnish



two copies of plans, as well as specifications and estimates in the prescribed proforma. The plans must be got duly approved by the Municipality or other local body concerned before submitting them to the Head of Department.

- (e) The plans, specifications and estimates referred to in sub-rule (d) (ii) above should be referred to the Managing Director/Functional Director with reference to the earlier correspondence on the subject. The Managing Director/Functional Director will after examining all these details inform the Head of Department of the maximum amount of advance that could be granted to the applicant concerned. On receipt of the recommendations of the Managing Director/Functional Director, the Head of Department will accord formal sanction to the grant of the advance or if necessary amend the original sanctions issued in cases where the advance is required partly for purchasing a plot of land (see sub-rule (c) (i) and (d) (i) above). The Head of Department shall also attend to all formalities as explained in sub-rule (d) (i) above, and then authorise disbursement of the first instalment of advance for construction purposes to the applicant. The payment of remaining two instalments of advance may be authorised by the applicants as prescribed in rule 7 (a) and such inspections as may be deemed necessary. It should also be verified before disbursing the last instalment of the advance, that the development of the site has been completed (vide rule 5 (a) above).
- (f) The Head of Department shall also ensure that the transaction/construction of the house is completed within the period prescribed in the Rules and that :
- (i) The prescribed mortgage deed is executed immediately on completion/redemption/purchase of the house, and the document kept in safe custody after registration ;
  - (ii) The house is insured in the manner indicated in Rule 7 (b) above immediately on its purchase/completion/redemption, and that the premium receipts are regularly produced for inspection ;
  - (iii) The house is maintained in good repair and that the necessary insurance premia and municipal rates and taxes are paid regularly, and the requisite certificate furnished annually, until the advance has been repaid in full :
  - (iv) Monthly recovery of instalments of repayment of the advance commences from the due date and is made regularly from the pay/leave salary bill of the company employee concerned thereafter.
  - \* (v) In the case of the company employee likely to retire within 18 months of the date of their application for the advance (see Rule 5 (b) above), the amount of their gratuity will be adequate to cover the balance of the advance outstanding against them just before the date of their retirement.
  - (vi) Any amount drawn in excess of the expenditure incurred, is refunded by the



company employee concerned to the Company forthwith together with the interest if any due thereon; and

(vii) The property mortgaged to the company is released immediately on the repayment of the advance and the interest thereon in full.

(g) To enable the Managing Director/Functional Director to watch the disbursement of the funds and the progress on the construction of houses, Head of Department will send to him a consolidated quarterly progress report (in respect of all the Department to which it relates, in the prescribed proforma. In order to enable the Head of Department to furnish the progress report to the Managing Director/Functional Director in time, all the Company's Administrative Departments including the attached and subordinate offices to the Company will send them a consolidated quarterly progress report (in respect of all departments and offices under it) by the 15th of the month following the quarter to which it relates in the prescribed proforma.

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\* Substituted vide O. M. No. CMA/APEX/AD (P)/HBA/23 dated 16.1.1975.



**APPLICATION FORM FOR USE BY CMAL EMPLOYEES FOR THE GRANT  
OF AN ADVANCE UNDER THE RULES REGULATING THE GRANT OF  
ADVANCES TO THE COMPANY EMPLOYEES FOR  
BUILDING ETC. OF HOUSES**

1. (a) Name (In block letters).....
- (b) Designation.....
- (c) Scale of Pay.....
- (d) Present Pay (excluding allowances but including Dearness Pay, if any).....  
.....
2. (a) Department or office in which employed.....
- (b) Station where posted.....
3. Please state :

Whether you are a permanent or non-perma- nent Company employee and the length of service rendered	(a) Your permanent post if any & the name of Office/Deptt. concerned (b) Do you hold a per- manent appointment under Central or a State Govt.? If so, give particulars	Date of birth & present age	Date on which you will attain the age of retirement	Is your wife/hus- band a Company employee? If so, give her/his name designation, office etc.
1	2	3	4	5



4. Do you or does your wife/husband/minor child already own a house ? See Rule 2(b) If so, please state :

Station where it is situated with exact address	Floor area (in Sq. Ft.)	Its approxi- mate valuation	Reasons for desiring to own another house, or enlarging living accommodation in an existing house, as the case may be
1	2	3	4

**CMAL/Building/Adv./Application/2**

5. Do you require the advance for building a new house? If so, please indicate :

Approx. floor area of the house proposed to be constructed (in Sq. Ft.)	ESTIMATED COST			Amount of advance required	No. of years in which the advance with interest is proposed to be repaid
	Cost of land	Cost of building	Total		
1	2	3	4	5	6

**Note :** Entries in columns 2 to 4 will have to be supported by specifications estimates (in enclosed form) and plan at the appropriate state.

- (b) Whether you are already in possession of land? If so, please state :

Name of the city or town where it is located	Whether you wish to settle there after retirement	Area of the plot (in sq. yds.)	Name of the municipality or other local authority (if any) in whose jurisdiction it is located
1	2	3	4



(c) If no plot of land is already in your possession, how and when do you propose to acquire one ? State the approximate plot area (in sq. yds.) proposed to be acquired.

6. Do you require the advance for enlarging living accommodation in an existing house, if so, please state :

No. of room in the house (excluding lavatory, bath room & kitchen)	Total floor area of the room (in sq. ft.)	If an additional storey is pro- posed to be added is the foundation strong enough	Particulars of additional desired			Amount of advance desired	No. of Yrs. in which the advance with interest is proposed to be repaid
			No. of rooms sq. ft.	floor area in sq.ft.	Esti- mated cost		
1	2	3	4	5	6	7	8

#### CMAL/Building/Adv./Application/3

**Note :** A plan on the Existing House should accompany the application.

7. Do you require the advance for repaying loans taken earlier for purchasing/constructiong a house ? If so, please state :

Exact location of the house	Floor area of the house in sq. ft.	Plinth area of the house in sq. ft.	Total cost of the house (in- cluding land)	Names and addre- sses of parties from whom loans were taken & the amount outstanding in their favour on the date of application	Amount of advance required	No. of years in which the advance with interest is proposed to be repaid
1	2	3	4	5	6	7

**Note :** A plan of the house and specification used in construction should accompany the application.



8. Do you require the advance for purchasing a ready-built house ? (a) (i) if so, and in case you already have a house in view, please state :

Exact location of house	Floor area of house (in sq. ft.)	Pinth area of the house (in sq. ft.)	Approx age of the house	Muni- cipal value of the house	Name & Address of the owner	Approx. price expected to be paid	Amount of ad- vance required	No. of yrs. in which advance with interest is proposed to be repaid
1	2	3	4	5	6	7	8	9

- (i) Have you satisfied yourself that the transaction would result in your acquiring an indisputable title to the house ?

**Note :** A plan for the house should accompany the application.

**CMAL/Building/Adv./Application/3**

- (b) If you do not already have a house in view how, when and where do you proposed to acquire one indicate ;

The approximate amount upto which you will prepare to buy a house	The approximate amount of advance required	No. of years in which the advance with interest is proposed to be repaid
-------------------------------------------------------------------	--------------------------------------------	--------------------------------------------------------------------------

**Note :** Details specified against Item 8 (a) above should be furnished in this case also as soon as possible and in any case before the full amount of advance can be drawn.

9. If the land on which the house stands, or is proposed to be constructed, **free hold** or **lease hold**? If lease hold, state :

The term of the lease	How much of the term has already expired	Whether conditions of the lease permit the landbeing mortgaged to the Company	Premium paid for the plot	Annual rental of the plot
1	2	3	4	5

**Note :** A copy of the lease/sale deed should accompany the application.



10. (a) Is your title to land/house undisputed and free from encumbrances?
- (b) Can you produce, if required, original documents (sale or lease deed) in support of your title? If not, state reason therefore indicating what other documentary proof if any, you can furnish in support of your claim? (See items 5 (b) 6 and 7 above).
- (c) In case you have,
- Does the locality in which the plot of land/house is situated possess essential services like roads, water supply, drainage, sewerage, street lighting, etc.?  
(Please furnish a site plan with complete address).
11. In case you happen to be due to retire from service within 20 yrs. of the date of this application, do you undertake to repay the outstanding balance of the advance by making a final (House building) withdrawal from your Provident Fund and/or authorise the Company to adjust the remaining balance against any gratuity that may be admissible to you?
12. Is Rule 5(b) applicable to your case? If so, state :
- (i) the name, designation, scale of pay, Office/Department, etc. of the permanent Company employee who is willing to stand surety for you, and
- (ii) the date on which the proposed surety is due to attain the age of retirement.

#### DECLARATION

I SOLEMNLY DECLARE THAT the informations furnished by me in reply to the various items above is true to the best of my knowledge and belief.

2.1. I HAVE READ THE RULES REGULATING the grant of advances to Company servants for building etc., of houses, and agree to abide by the terms and conditions stipulated therein.

I CERTIFY THAT :

**My wife/husband is not a Company employee**

- (i) my wife/husband who is a company employee has not applied for and/or obtained an advance under these Rules; and
- (ii) neither I nor my wife/husband has applied for and/or obtained an advance or loan from any other Government source for the acquisition of a house.

Station :

Date :

.....  
(Signature of the applicant)

Designation.....

Department/Office in which employed

.....



Strike out the alternative(s) not applicable.

(To be completed by the Applicant's Head of Department)

No.....Station.....Dated.....

Forwarded to the Managing Director/Functional Director. The facts stated in the application have been varified and found correct.

It is recommended that an advance of Rs.....may be granted to the applicant. I have satisfied myself, on the basis of monthly deductions, etc., made from the applicant's salary that this amount is well within his/her repaying capacity.

Signature.....

Designation.....

Name of the Department.....

Name of the signing officer should also be indicated in Block Letters below his signature.



Abstract of cost of original estimates and detailed specifications (based on details in Form No. 2) for grant of advance to CMAL employees for the building of House.

Amount Rs.....

Name.....

Designation.....

Locality and address in which the house is proposed to be constructed.....

Item No.	Up-heads of Items of work	Quantity QR No.	Rate per	Amount	Total
<b>I.</b>	<b>Earthwork</b>				
	(Earthwork excavation for foundations and disposing of surplus earth etc.)	1000 C.Ft.			
<b>II.</b>	<b>Concrete work</b>				
	(Foundation concrete with cement or lime using stone or brick ballast either below floors or for footing)	100 C.Ft.			
<b>III.</b>	<b>Damp Proof Course</b>				
	(Concrete on rich cement mortar or bitumbastic compound.)				
<b>IV.</b>	<b>Roofing work</b>				
	(R.C.C. or any other type of suitable roof)				
<b>V.</b>	<b>Reinforced Cement Concrete</b>				
<b>VI.</b>	<b>Masonry</b>				
	(Brick, stone, Concrete blocks walls, etc.)				
<b>VII.</b>	<b>Wood Work</b>				
	For Doors and Windows, Wooden Scantlings for roofs etc.)				
<b>VIII.</b>	<b>Steel Work</b>				
	(For reinforcements holdfast, window bars, etc.)				
<b>IX.</b>	<b>Flooring</b>				
	(Concrete, Stone or marble Chip etc.)				



**X.** (Plastering, pointing, colour or  
Whitewashing, Painting etc.)

**XI.** (Like Rain water pipes, sholves  
jalis, Chulas, Pogs, Hooks for Fans  
etc.)

**XII. Sanitary Instalation**

(Closets, Connections Pipes, manholes,  
drains etc.)

**XIII. Water Supply**

(Tap water meters, water tanks G.I.  
Pipe etc.)

**XIV. Electricity**

(Electric points, metres, connections,  
lines etc.)

**TOTAL COST.....**

.....  
(Signature of applicant)

Date.....



# DETAILED ESTIMATE FOR ADVANCE TO CMAL EMPLOYEES FOR THE BUILDING OF A HOUSE

( Detailed estimate sheet to support the quantities given in Form I )

Name.....

Designation.....

Office to which attached.....

Locality and address in which the house is proposed.....

Sl. No.	Details of Work	No.	Measurement			Quantities
			Length	Breadth	Height	
<b>I.</b>	<b>Earthwork</b>					
1.	Earthwork in excavation in all soils for foundation and other trenches and depositing the same within one chain bed and upto 5'.0" lift					
	Front Wall	1	19½	1½	2	59
	Rear Varandah retaining wall	1	19½	1½	1½	44
	Outside wall	1	20½	1½	2	62
	Common walls between rooms	1½	12½	1½	2	56
	W.C. front and rear	2	3¾	1	1½	11
	W.C. front and side	1½	4¾	1	1½	11
	Steps in front and rear	2	4½	1½	½	7
	Total earthwork					250
2.	Refilling the excavated earth, & etc. Continue details for all items as given in sample Form No. 1					

.....  
(Signature of applicant)

Date.....

**Note :** The entries made in columns 3 to 7 against Item 1 above are just to explain how the entries from is to be prepared.



**COAL MINES AUTHORITY LIMITED**  
(A Govt. of India Enterprise)  
15, Park Street, Calcutta-16

No. CMA/APEX/AD(P)/House Building Adv./23

Dated, 16th January '75

**OFFICE ORDER**

**AMENDMENTS TO CMAL's HOUSE BUILDING ADVANCE RULES**

**1. Substitute Rule 8(a) (iv) by the following :**

"In order to avoid undue hardship to a Company employee who is due to retire within 20 years of the date of application for the grant of an advance, the Head of the Department may permit him to repay the advance with interest in convenient monthly instalments (the amount of which shall not be less than the amount of monthly instalments on the basis of repayment within the period of 20 years) during the remaining period of his service, provided he gives an undertaking authorising the Company to recover the entire outstanding amount from the gratuity that may be payable and any other retirement benefit that may be sanctioned to him or in the event of his death to realise the outstanding balance from any benefit that may be payable to his estate. In any event the Company will have liberty to enforce the deed of mortgage which will be executed by the employee in favour of the Company".

**2. Substitute Rule 9(f) (v) by the following :**

"In the case of the Company employees likely to retire within 18 months of the date of their application for the advance (See Rule 5(b) above), the amount of their gratuity will be adequate to cover the balance of the advance outstanding against them just before the date of their retirement."

This issues with the approval of Chairman.

Sd/-  
(S. R. Sankaran)  
*Adviser*



**COAL INDIA LIMITED**  
**(A Govt. of India Enterprise)**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**

No. CIL/C-5 (A)/50724

Dated, 2nd April '76

**OFFICE MEMORANDUM**

**Sub : "Continuous Service" for the purpose of house building advance in respect of taken over employees.**

Under the CMAL House Building Advance Rules, the advance may be granted to :

- (a) Permanent employees of the Company,
- (b) Employees not falling under (a), who have rendered atleast 10 years continuous service.

A question has been raised about the term "continuous service" in respect of the taken over employees of the erstwhile CMAL. This matter has been examined and it has been decided that "continuous service" for the purpose of CMAL House Building Advance Rules will be reckoned taking into account the service rendered to the immediate past employees by the taken over employees, i.e., the employees who have put in 10 years continuous service inclusive of service with their immediate past employers, will be considered eligible for the house building advance.

Sd/-  
(O. Maheepathi)  
Chief of Personnel Division



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Post Box No. 871**

**Calcutta-700 001**

No. C-5 (A)/50724/175

Dated, the 19th July, 1977

**OFFICE MEMORANDUM**

**Sub : Amendments to CMAL House Building Advance Rules.**

In rule 4(b) of CMAL House Building Advance Rules after the words "75 months pay (including dearness pay where admissible)" add the words "personal pay and special pay".

2. Add the following note at the end of Rule 4(b) *ibid*—

**"Note :** Pay at the time of Competent Authority's approval and no subsequent increase by way of promotion, transfer, increment etc. will be taken into consideration".

Sd/-

*for Chief of Personnel Division*



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Calcutta-700 001**

No C-5(B)/50724/678

Dated, the 20th Oct. '78

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules.**

House Building Advance Rules of Coal India Mines Authority Limited/Coal India Limited will stand modified with effect from 28th July, 1978 to the extent as mentioned below :

Rule 4(b) : The words "Rs. 50,000/- ( Rupees Fifty Thousand only )" shall be substituted by "Rs. 70,000/- (Rupees Seventy Thousand only)".

Rule 6 : The last sentence "The rate will be the Government lending rate as prevalent at the time of giving the advances" shall be deleted and the following shall be added :

"The interest to be charged on the advances given on 28th July, 1978 or thereafter shall be at the rates mentioned below :

(i) 6½ % for the first	Rs. 25,000/-
(ii) 8 % for the next	Rs. 25,000/-
(iii) 10 % for the next	Rs. 20,000/-
Total	Rs. 70,000/-

In the process of recovery of advance, the portion of the advance carrying higher rate of interest shall be treated as having been refunded first.

This modification to the existing House Building Advance Rules issues with competent approval.

Sd/-

(S. D. Chandra)

*Chief of Personnel Division*



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road**  
**Calcutta-700 001**

No. C-5 (B)/50724/II

Dated, 21 January, '80

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules**

House Building Advance Rules of CMAL/Coal India Limited will stand modified to the extent as indicated below :

**Rules 5(a) (ii) and 5(a) 2(i)**

Under Rule 5(a) (ii) and 5(a) (2) (i), the following words be added :

"the mortgage can also be effected by the employee concerned by simple deposit of the Title Deeds/documents accompanied by written memorandum (Equitable Mortgage) determining the scope and extent of security in notified areas".

This will take immediate effect.

This issues with the approval of the competent authority.

Sd/-  
(P. K. Ghose)  
*Chief of Personnel Division*



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Calcutta-700 001**

No. C-5 (B)/50724/II/782

Dated, 19/25 February, 1980

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules.**

A reference is invited to this Office Memorandum of even number dated 21.1.1980 issued on the provision for a Equitable Mortgage for the purpose of House Building Advance.

The Proforma for the said Equitable Mortgage as worked out and approved by Manager (Legal), Coal India Ltd., are circulated for necessary guidance of all concerned. The facility of Equitable Mortgage shall be available for deposit of Title deeds/documents in the notified areas only.

(P. K. Ghose)

*Chief of Personnel Division*



(To be execution on a Non-judicial Stamp paper of appropriate value)

### DECLARATION

**Re :** In the matter of Housing Loan of Rs.....lent and advance and/or to be lent and advanced by the Coal India Limited in the matter of — Declaration of Equitable Mortgage by deposit of the Title Deeds of the immoveable properties — situated at.....created on the .....day of.....

1. I,.....son of.....aged.....at present residing at.....do solemnly affirms and state and declare as follows :

2. I am an employee of Coal India Limited (hereinafter called 'Company') and am working at present as.....in the Head Office.

3. With a view to secure the Housing Loan of Rs.....interest and other moneys lent and advanced and/or to be lent and advanced by Company to me, I have created as and by way of security an Equitable Mortgage by deposit of Title Deeds, a mortgage in — favour of Company on the.....day of.....

4. I confirm and declare that (save and except the said Equitable Mortgage in favour of Company), my property described in the Schedule is free from all encumbrances claims and demands and I am the full and absolute owner thereof and no other person has any right, title, interest, claim or demands whatsoever thereof.

5. I further confirm and declare that my said property is not affected by any litigation, attachment, process of the Court, lispendes or otherwise howsoever and there was no impediment in my creating the Equitable Mortgage in favour of Company as stated above.

### SCHEDULE OF PROPERTY

Solemnly declared at.....

by the within named..... Signature of the Borrower

This.....day of.....19 ..

Before me

(To be affirmed before on this Commissioner/Chief Metropolitan Magistrate/Magistrate/Notary Public.)



From : (Name & Address of the Borrower) Dated.....198 .

.....  
 .....  
 .....

To (Name & Address of the concerned Company)

**Sub : Housing Loan of Rs.....**

1. Pursuant to your sanction No.....dated.....where-  
 in you have agreed to lend and advance to me a sum of Rs.....(Rupees  
 ..... ) interalia on the terms and  
 conditions of repayment with interest, cost, charges and expenses on creation of mort-  
 gage in favour of the Company as and by way of security for the said amount. I here-  
 by agree to create an Equitable Mortgage by deposit of title deeds of the immovable  
 property situated at.....

(i)

(ii)

2. I am the absolute owner and registered holder of the above mentioned property and  
 the same is free from any encumbrance, hypothecation, lien, claim or demand, attach-  
 ment, lispendense or litigation and I agree not to create any charge or lien thereon so  
 long as the loan obtained by me from you is and the interest due thereon outstanding.

3. During the continuance of this security and so long as the said loan or any part  
 thereof or any interest due thereon shall remain unpaid to you by me, you shall be at  
 liberty to have the said property agreed to be mortgaged and pledged to you as afore-  
 said, transferred to your name or names of your nominee or nominees, and all costs of  
 and incidental to such transfer including stamp, registration transfer fee, etc. shall be  
 bourne and paid by me forthwith on demand and until such payment the same shall  
 be secured and shall deemed to have been secured by these presents.

4. If any default is made by me in payment of the said loan or interest or costs,  
 charges and expenses of any part thereof as may be incurred by you for the recovery of the  
 said loan and/or interest, you shall be at liberty to sell and dispose of the said property  
 and to apply the net proceeds of such sale in satisfaction so far as the same shall extent  
 towards liquidation of the amount due for principal and interest together with all costs,  
 charges and expenses incurred by you, and I agree and undertake to accept your account  
 of such sale duly signed by you as sufficient proof of the errectness of the amount released  
 by you and the costs charges and expenses in connection with such sale.



5. I shall also pay to you all costs, charges and expenses as may be reasonably incurred by you, of an incidental to or in connection with this security as well as for the protection or defence of your rights as for the protection and security of the said property and for the payment, realisation and recovery of the amount of the said loan, interest, costs, charges and expenses and other moneys agreed to be secured as aforesaid and the same shall be paid on demand, by me at.....(place) immediately on the same having been so incurred.

6. I agree to do and execute in your favour all acts matters, deeds, registration, assurances and things as may be necessary or requisite for effectually carrying out the provisions of these presents.

Yours faithfully,

Signature.....

.....  
Full Name (in capital) of the Borrower

Designation.....

Department etc.....



**Draft of the letter to be given by the Borrowing employee after the  
Equitable Mortgage is created**

From : (Name & Address of the Borrower)

.....  
.....  
.....

To (Competent Officer of the concerned Company)

Dear Sir,

Re : Housing Loan for Rs.....covered under Agreement  
dated.....

**AND**

Equitable Mortgage by deposit of Title Deeds to my property situated at.....  
.....

This is to record and confirm that with intent to secure the Housing Loan of  
Rs.....together with interest and other moneys payable by me to the  
Company in terms of the — Agreement dated..... I have delivered and  
deposited with Shri.....being the duly authorised  
Officer of the Company on the.....day of.....the following Title  
Deeds and the documents of my immovable properties situated at.....

Yours faithfully,

Signature of the Borrower.....

Full Name (in Capital) of the Borrower.....

.....

Designation etc.....



## MEMORANDUM OF ENTRY

Pursuant to the sanction order No.....issued by the  
 ....., Shri.....  
 (hereinafter referred to as borrower) deposited with Shri.....of  
 the Company the following Title Deeds and documents relating to :

**List of Title Deeds with Brief Description.**

- 1.
  - 2.
  2. At the time of making such deposit, the Borrower stated that he has deposited the said Title Deeds with intent to create a security in favour of the Company as and by way of Equitable Mortgage by deposit of Title Deeds in respect of the said property for securing due repayment by the Borrower to the Company of the Housing Loan of Rs..... (Rupees.....) sanctioned by the Company together with interest thereon and all such costs, charges and expenses and other moneys payable by the Borrower to the company under the said Agreement.
  3. The Borrower further assured and declared to the Company that the Title Deeds so deposited were the only Title Deeds of the said Land/House/Flat and that he was the absolute owner thereof and that he had a marketable title thereto free from all encumbrances, claims and demands and that there was no mortgage, charge, lien, encumbrance or attachment on the said Land/House/Flat or any part thereof.
  4. Shri.....of the Company accepted from the Borrower the said deposit of title deeds on behalf of the company the purpose aforesaid.
  5. The above was read over by Shri.....to the Borrower in the presence of Shri .....
- Dated, this.....day of.....19 .

Signature of the Witness.....

..... Name in full.....

Signature of the Borrower Designation.....



From :

.....

..... (Designation of the authorised officer)

.....

To

Shri.....

(Name of the Employee)

Designation.....

Department/Location.....

**Sub : Mortgage of Housing Property Purchased from Loan Assistance of the Company.**

Dear Sir,

We confirm having received the title deeds and the covering letter detailed below :

---

Sl. No.	Details of title deeds	Covering letter detail
---------	------------------------	------------------------

---

Signature



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Calcutta-700 001**

No. C-5 (B)/50724/II/802

Dated, the 7th March, 1980

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules.**

In continuation of this Office O.M. No. C-5 (B)/50724/II/dated 21.1.1980 issued on the above subject, the House Building Advance Rules of CMAL/Coal India Limited is further modified to the extent as indicated below :

1. Clause (b) of Rule 1 will be replaced by :

"Company's employees not falling in category (a) above who have rendered continuous service as given below :

(i) 7 years upto/before 31.3.1980

(ii) 8 years upto/before 31.3.1981

(iii) 9 years upto/before 31.3.1982

(iv) 10 years after 31.3.1982

2. In Rule 2 (c) — the figure and words "380 Sft". be replaced by the figures and words "22 Sq. m."

3. In Rule 3 (b) the figures "Rs. 10,000/-" be replaced by "Rs. 25,000/-".

4. Rule 4 (b) should be replaced by the following :

"Applicants may be granted an advance not exceeding 75 months pay (including dearness pay where admissible) or Rs. 70,000/- (Rupees Seventy thousand only) whichever is less, for construction of a new house or for purchase of ready-built house constructed by State Government/Co-operative Societies specifically for the purpose of sale to intending purchasers, or for purchase of ready-built house/flat from private individual/individuals the valuation of which is certified by Registered Valuer, the cost of which will be borne by the employee concerned, subject to the provision that the employee (i.e. borrower) is in a position to make a personal investment of not less than 5% of the total estimated cost of the house or of the land and the house taken together in cases covered by Rule 3(a) above. The actual amount of advance to be sanctioned will be determined by the Managing Director/Functional Director on the basis of plans and detailed specifications and estimates to be furnished by applicants justifying the amount of advance applied for, and shall in no case exceed the estimated cost of construction/purchase redemption within the ceilings prescribed above."

This will take immediate effect.

This issues with the approval of the competent authority.

(P. K. Ghosh)

Chief of Personnel Division (Actg.)



COAL INDIA LIMITED  
"Coal Bhawan"  
10, Netaji Subhas Road  
Calcutta-700 001

No. C-5 (B)/50724/II/827

Dated, 25th March, 1980

OFFICE MEMORANDUM

**Sub : Amendment of House Building Advance Rules.**

Further to this Office O.M. No. C-5 (B)/50724/II dated 19 February, 1980 circulating therewith the Proformae for the Equitable Mortgage for the purpose of House Building Advance, it is brought to the notice of all concerned that in case the loan is sanctioned for construction of the building only on the land owned by the applicant, Para I of Annexure I and III of the said Proformae shall be substituted by the following which have been duly worked out and approved by Manager (Legal), Coal India Limited.

1. Substitute to Para 1 of Annexure I in case the loan is sanctioned only for construction of house on the land owned by the applicant.

"Pursuant to your Sanction No.....dated.....wherein you have agreed to lend and advance to me a sum of Rs.....(Rupees.....) interalia on the terms and conditions of repayment with interest, cost, charges and expenses on creation of mortgage in favour of the Company as and by way of security for the said amount. I hereby agree to create an Equitable Mortgage by deposit of title deeds of the immovable property situated at....."

(i)

(ii)

2. Substitute to Para 1 of Annexure III in case the loan is sanctioned for construction of the building on the land owned by the applicant.

"Pursuant to the Sanction Order No.....issued by the....., Shri.....(hereinafter referred to as borrower) deposited with Shri.....of the Company the following Title Deeds and documents relating to :"

Sd/-

(P. K. Ghosh)

Chief of Personnel Division



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road**  
**Calcutta-700 001**

No. C-5 (B)/50724/II/27/

17th December, 1980

**OFFICE MEMORANDUM**

**Sub : Recovery of House Building Advance.**

It has come to the notice that some of the Subsidiary Companies are experiencing difficulties in realising the outstanding amount of House Building Advance given to the employees in the cases of such employees being transferred from those Subsidiary Companies to other Subsidiary Companies in as much as no deduction on account of recovery of the said advance is made by the transferee Subsidiary Companies from the employees concerned.

It is, therefore, clarified that while issuing the L. P. C. in the case of transfer of an employee from one Subsidiary to another Subsidiary Company the incidence of H.B.A. drawn by the employee concerned should clearly be spelt out and also separate communication be sent to the concerned Subsidiary Co. where the employee has been transferred, for regular recovery of the advance from the employee concerned by them as done in the case of P.F. and other advances. The amount of monthly instalment of the advance so recovered should be regularly remitted to the Subsidiary wherefrom the advance had been drawn.

(P. K. Ghosh)

*Chief of Personnel Division (Actg.)*



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Calcutta-700 001**

No. C-5 (B)/50724/III/05

7th April, 1981

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules.**

House Building Advance Rules of Coal Mines Authority Limited/Coal India Limited are further amended to the extent indicated below :

**Rule 3 (b) :** The words "or owned by the Company employee jointly with his/her wife/husband" be inserted between the words "concerned" and "provided" appearing in 2nd line of Rule 3 (b).

**Rule 4 (b) :** The provisions of Rule 4(b) shall be substituted by the following :  
"Applicants may be granted an advance not exceeding 75 months pay (including dearness pay, personal pay and special any where admissible) or Rs. 70,000/- whichever is less for the following purpose :

- (i) Construction of new house on the plot owned by the employee or the employee and his/her wife/husband jointly provided they mortgage the house jointly.
- (ii) Purchasing a plot and constructing a house thereon.
- (iii) Purchasing a plot under Co-operative Schemes and constructing a house thereon.
- (iv) Outright purchase of a new and unlive in ready-built house/flat from Housing Boards, Development Authorities and other statutory or, Semi-Government Bodies, Co-operatives and also from private parties.
- (v) Repayment of loan and/or advance taken by the applicant for constructing or purchasing a house.

Subject to the provision that the employee (i.e. borrower) is in a position to make a personal investment of not less than 5% of the total estimated cost of the house or of the land and the house taken together in cases covered by Rule 3(a) above. The actual amount of advance to be sanctioned will be determined by the Managing Director/Functional Director on the basis of plans and detailed specifications and estimates to be furnished by applicants justifying the amount of advance applied for, and shall in no case exceed the



estimated cost of construction/purchase and/or redemption within the ceiling prescribed above."

Rule 6 : The following provisions shall be added below Rule 6 of the H.B.A. Rules :

"The reduction in the rate of interest effective from 28.7.1978 will be granted to the debtors on the outstanding amount of loan as on 28.7.78. Subsequent enhancement/reduction of rate of interest, if any, will also be made applicable to the debtors, on the outstanding balance of the loan from the date of such revisions."

This issues with the approval of the competent authority.

This will have immediate effect.

(A. C. Ray)  
Chief (EE & A)



**COAL INDIA LIMITED**  
"Coal Bhawan"  
10, Netaji Subhas Road  
Calcutta-700 001

No. C-5 (B)/50724/III/79

25th May, 1981

**OFFICE MEMORANDUM**

**Sub : Purchase of a flat from Delhi Development Authority.**

Coal India Limited has approved inter-alia purchase of ready built flat from the Development Authorities vide Office Memorandum No. C-5 (B)/50724/III/05 dated 7th April, 1981.

In this connection it has since been decided that flat from the Delhi Development Authority may be purchased in instalments and on the conditions as given below :

- (a) Registration deposit of Rs. 10,000/-.
- (b) 25% (including amount paid as registration deposit) of the expected price at the time of the acceptance of the application.
- (c) Balance payment in instalments as under :
  - (i) 20% at the end of 6 months
  - (ii) 25% at the end of 1 year
  - (iii) 20% at the end of 11/2 years and
  - (iv) 10% at the time of taking over possession

3. House Building Advance will not be granted for the initial payment of Rs. 10,000/- as registration deposit. It has to be borne by the applicant himself.

4. On the receipt of an assurance from the Delhi Development Authority that the flat will be allotted to the applicant, the amount of H. B. A. permissible will be sanctioned to the applicant but the payment will be endorsed to the Delhi Development Authority directly on his executing an agreement to repay the loan and interest thereon. He will also produce two sureties from permanent company employees of comparable status who are not likely to retire in the near future. The payment will be released to the D.D.A. in instalments as at (b) and (c) above, due care being taken that the initial deposit of Rs. 10,000/- shall not form a part of the advance.

(A. C. Ray)  
Chief (EE & A)



COAL INDIA LIMITED  
"Coal Bhawan"  
10, Netaji Subhas Road  
Post Box No. 871  
Calcutta-700 001

Ref. No. C-5A (vi)/50724/III/236

Date 17/21.9.1981

To  
Shri T. B Sinha  
Chief of Administration  
Eastern Coalfields Limited  
Sanctoria  
P.O. Disergarh  
Dist Burdwan

**Sub : Amendment to House Building Advance Rules.**

Dear Sir,

1. I am to refer to your letter No. ECL/C-5(D)/HBM Adv./28099 dated 25th August, 1981 on the above subject and to inform you that the provision of purchase of ready-built old house from the private parties in the House Building Advance Rules has been amended with effect from 7.4.81. No advance for purchase of ready-built old house from the private parties are now admissible.

2. The 'new-ness' and 'unlived in' of a ready-built house should be checked up on the lines of the relevant provision in the Central Government House Building Advance Rules as below :

- (i) The No. and date of approval of the Building Plan issued by the Municipal Authorities by seeing the original plan.
- (ii) The date of commencement of construction and date of completion of the house by scrutinising the completion certificate issued by the Municipal Authorities.
- (iii) The Tax Bill and Receipt issued by the Municipality; and
- (iv) Neighbourhood enquiries, if necessary.

For the purpose of grant of advance for purchase of ready-built house from the private parties the 'new' and 'unlived in' should be read together, i.e., if a house has been constructed a few years back but has not been lived in by anybody that should be treated as 'new' and 'unlived in' and advance for the purchase of such houses can be granted.

Yours faithfully,

Sd/-

(A. C. Ray)

Chief (Executive Estb. & Admn.)

**Copy for information to :**

1. Director (Personnel), WCL/CCL/BCCL/ECL.
2. Manager (Admn.), CMPDIL, Ranchi.
3. General Manager, NEC, Margherita, Assam.
4. Executive Engineer (Civil), CIL, Calcutta.



**COAL INDIA LIMITED**  
"Coal Bhawan"  
10, Netaji Subhas Road, Calcutta-700 001  
Post Box No. 871

No. CIL/C-5A (vi)/50724/II/50

Dated, 29th April, 1982

**OFFICE MEMORANDUM**

**Sub : Reconveyance of the property mortgaged through a registered deed to Coal India Limited for House Building Advance.**

1. A point has arisen as to the procedure to be adopted for reconveyance of the property mortgaged through a registered deed/document to Coal India Limited. It has since been decided that the following procedure should be adopted for reconveyance of such deed/document :

- (i) (i) After the advance together with interest thereon has been repaid in full, the property mortgaged to the Coal India Limited will be re-conveyed to the loanee.
- (ii) The reconveyance deed shall be executed by the Head of the Department who generally accepts the mortgage deed on behalf of the Coal India Limited.
- (iii) Registration of reconveyance deed is compulsory.
- (iv) The expenses in connection with the execution and registration of the reconveyance deed shall be borne by the loanee concerned.
- (v) After the reconveyance deed has been executed and registered, it shall be made over to the loanee along with the mortgage deed, original sale deed and other documents deposited by the loanee. A receipt therefore shall be taken from the loanee and kept on record along with a copy of reconveyance deed.

2. In respect of equitable mortgage by deposit of title deeds etc., registered reconveyance deed is not compulsory. The same may be done by mere endorsement of the memorandum, while returning the title deeds etc. after obtaining receipt from the loanee.

(A. C. Ray)  
Chief (Executive Estb. & Admn.)



**FORM OF RECONVEYANCE FOR HOUSE BUILDING ADVANCE**  
**VIDE RULE 8(D)**  
**(In Case of Registered Mortgage)**

THIS DEED OF RECONVEYANCE IS MADE THIS.....day of.....  
.....19.....BETWEEN COAL INDIA LIMITED, a  
Company registered under the Companies Act, 1956 having its registered office at 10,  
Netaji Subhas Road, Calcutta (hereinafter called the Mortgagee which expression shall  
unless excluded by or repugnant to the subject or context include its successors and assigns)  
of the one part and.....of.....  
(hereinafter called the mortgagor which expression shall unless excluded by or repug-  
nant to the subject or context include his/hers, executors, administrators, representatives  
and assigns) of the other part.

WHEREAS by an Indenture of mortgage, dated the.....day.....of  
.....19.....and made BETWEEN the Mortgagor of the one  
part and the Mortgagee of the other part and registered at.....in Book.....  
.....Volume.....pages.....to.....as on.....  
.....for.....(hereinafter called PRINCIPAL INDEN-  
TURE). The Mortgagor by the said Principal Indenture mortgaged the property at  
.....and more particularly described in the Schedule  
hereunder written to the Mortgagee to secure an advance of Rs.....made  
by the Mortgagee to the Mortgagor.

AND WHEREAS ALL MONEY due and owing on the security of the PRINCIPAL  
INDENTURE have been fully paid and satisfied and the Mortgagee has accordingly  
at the request of the Mortgagor agreed to execute reconveyance of the Mortgaged pre-  
mises as is hereinafter contained Now THIS INDENTURE WITNESSETH that in  
pursuance of the said agreement and in consideration of the premises the Mortgagee  
doth hereby grant, assign and reconvey unto the Mortgagor ALL THAT THE piece of  
land situated at.....and comprised in  
the said Principal indenture and more particularly described in the Schedule hereunder  
written with their rights, easements and appurtenances as in the PRINCIPAL INDEN-  
TURE expressed and all the estates right, title, interest property claim and demand  
whatsoever of the Mortgagee into out of or upon the said premises by virtue of the  
PRINCIPAL INDENTURE to have and to hold the premises herebefore expressed to  
be hereby granted assigned and reconveyed unto and to the use of the Mortgagor, for  
over freed and discharged from all moneys intended to be secured by the said PRINCIPAL  
INDENTURE and from all actions, suits, accounts, claims and demands for, or in  
respect of the said moneys or any part thereof, for or in respect of, the PRINCIPAL  
INDENTURE OR of any-thing relating to premises AND THE Mortgagee hereby  
covenants with the Mortgagor that the Mortgagee has not done or knowingly suffered



or been party thereof are or privy to anything whereby the said premises or any part thereof are/is or can be impeached incumbered or effected in title estate of otherwise howsoever, IN WITNESS whereof the Mortgagee has caused.....on its behalf to set its hand the day and year first above written.

**SCHEDULE ABOVE REFERRED TO**

SIGNED BY.....for and on behalf of the Mortgagee.....

In the presence of

Ist witness :

Address :

Occupation :

.....  
(Signature)  
for and on behalf of the Company

2nd witness :

Address :

Occupation :



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. C-5A (vi)/50724/III/473

Dated 17.3.1983

**OFFICE ORDER**

**Sub : House Building Advance.**

We are often receiving references from the subsidiary companies forwarding applications of the employees working under them for house building advance for purchase of houses/flats from the different Housing Boards/Development Authorities. It is clarified that since the subsidiary companies are competent to sanction the house building advance to the employees working under them, such cases need not be referred to this office. The cases may be processed by the companies in accordance with the provision of the House Building Advance Rules of Coal India Limited and the payment in one lump sum or in instalment, as the case may be, made direct to the Boards/Development Authorities from whom the houses/flats are proposed to be purchased. In case, however, there is any difficulty for processing the application, the same may be sent to this office for issuance of necessary clarification.

(P. P. Agarwal)  
*Chief (Executive Establishment)*



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road, Calcutta-700 001**

**Post Box No. 871**

No. C-5A (vi)/50724/III/661

Dated, 18th July, 1983

**OFFICE ORDER**

**Sub : House Building Advance — release of instalments of House Building Advance by Depositing Certified copy of the Sale Deed.**

In accordance with the existing practice, for the purpose of creation of equitable mortgage of the land and the building for which HBA is taken, the Original Sale Deed is required to be deposited by the employee with the Company. It has been found that it takes considerably long time to obtain the original Title Deed from the Registrar's Office. As a result of this, the employees have represented that they are unable to deposit the Original Title Deed for creation of equitable mortgage within the stipulated period and consequently, they do not get the subsequent instalment payment. The position has been reviewed in this regard.

2. In view of the difficulties thus experienced by the employees in obtaining the Original Sale Deed from the Registrar's Office for creation of equitable mortgage and obtaining instalment payment of the House Building Advance, and in order to give relief to the employees in this regard it has been decided, as a special case, that the following procedure may be adopted for releasing Second and Third instalments of HBA sanctioned to the employee concerned, when the original Sale Deed cannot be submitted within the stipulated time, with the Company :

- (i) The concerned employee should submit to the Company the Original receipt granted by the Registrar for registering the Sale Deed ;
- (ii) The employee should submit a copy of the Sale Deed duly certified by the Registrar which will be kept with the Company ;
- (iii) An undertaking should be given by the applicant to the effect that the Original Sale Deed will be deposited with the Company for creating equitable mortgage as early as possible but not later than 18 (Eighteen) months from the date of registration or within further period of time, as may be allowed by the Company, not exceeding 6 (Six) months in exceptional/difficult cases.
- (iv) Applicant has to furnish Sureties from 2 (two) permanent Company employees not below the status of the applicant. Such Sureties should not be from such employees who have obtained HBA loan or there is any doubt about their financial solvency. The liability of these Sureties will continue until equitable mortgage is created by the applicant, or till the entire amount of advance is fully repaid by the applicant, whichever is earlier.



3. The last instalment of the advance shall not be paid unless the equitable mortgage is created by depositing the Original Sale Deed.
4. This issues with the approval of the competent authority.

(G. R. Bhandari)  
General Manager (EE)



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road**  
**Calcutta-700 001**

No. C-5A (vi)/50724/III/778

Dated, the 29th September, 1983

To

The Director (Personnel), CCL/BCCL/WCL,  
The Chief of Administration, ECL, Sanctoria,  
The Manager (Admn.), CMPDIL, Ranchi,  
The General Manager (S&M), CMO, Calcutta,  
The General Manager, NEC, Assam,  
The Addl. Chief Legal Manager, CIL, Calcutta,  
The Personnel Manager(AW), CIL, Calcutta,  
The General Manager, Dankuni Coal Complex, Dankuni.

**Sub : House Building Advance — Release of Instalments of House Building Advance  
by Depositing Certified Copy of the Sale Deed.**

Dear Sir,

Please refer to this office letter No. C-5A (vi)/50724/III/748 dated the 13th September, 1983 on the above subject. The form of agreement and the Surety Bond in connection with drawal of instalments of House Building Advance on deposition of certified copy of Sale Deed, forwarded with the letter under reference may please be treated as cancelled. The revised forms are forwarded herewith for your necessary action.

**Encl : As stated,**

Yours faithfully,  
(G. R. Bhandari)  
General Manager (EE)



**FORM OF AGREEMENT TO BE EXECUTED BY AN EMPLOYEE OF THE  
COMPANY WHO IS NOT IN A POSITION TO CREATE MORTGAGE BY  
DEPOSIT OF TITLE DEED DUE TO NON-AVAILABILITY OF ORIGINAL  
TITLE DEED FROM REGISTERING AUTHORITY BEFORE DRAWAL  
OF DUE INSTALMENT**

(Vide Rule 5(a) (3) of House Building Advance Rules)

AN AGREEMENT MADE THIS.....DAY OF.....One  
thousand Nine Hundred and Ninety.....BETWEEN Shri.....  
.....Son of.....  
at present serving as.....hereinafter  
called "The Borrower" (which expression shall unless excluded by or repugnant to the  
subject or context include his heirs, legal representatives, executors and administrators)  
of the ONE PART and.....

(insert name of the Company)

having its registered office at.....hereinafter  
called "The Company" (which expression shall unless excluded by or repugnant to the  
subject or context include its successors and assigns) of the OTHER PART.

WHEREAS the Borrower desires to construct a residential building on the plot of land  
at Village.....P.S.....Dist.....  
fully described in the Schedule hereunder written and WHEREAS the Borrower has  
under the provisions of the Rules framed by the Company to regulate the grant  
of advances to the Company's employees for building and construction of house (here-,  
inafter referred to as the "Said Rules" which expression shall where the context so admits  
include any amendment thereof or addition thereto for the time being inforce) applied  
to the Company for an advance of Rs.....(Rupees.....  
.....) only and the Company has sanctioned an  
advance of Rs.....(Rupees.....)  
only to the Borrower vide Company's letter No.....  
dated.....a copy of which is annexed to these presents for the purpose  
aforesaid on the terms and conditions set forth therein.

AND WHEREAS the Borrower is unable to create mortgage by deposit of original title  
deed within the stipulated time in terms of the sanction order in view of the difficulty  
being faced by the Borrower in obtaining the Registered Original Title Deed from the  
Registering Authority.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES hereto  
as follows :

1. In consideration of the sum of Rs.....(Rupees.....  
.....) (insert full amount) to be



paid by the Company in the manner provided in the letter of sanction after the execution of this agreement for construction of a residential building at Vill.....  
P.S.....Dist.....to the Borrower  
as provided in the said Rules the Borrower hereby agrees with the Company :

(a) To repay to the Company the said amount of Rs.....(Rupees  
.....) (insert full amount sanctioned)  
with interest calculated in accordance with the said Rules for the time being in force  
by.....(number to be filled in) monthly instalments of Rs....  
..... (Rupees.....)  
only from his pay commencing from the month of.....One Thousand Nine  
Hundred.....and the Borrower hereby authorises the Com-  
pany to make such deductions from his/her monthly pay and leave salary bills.

(b) To execute a document mortgaging the said land and building to be constructed in  
favour of the Company as security for the amount advanced to the Borrower under  
these presents as also for the interest payable for the said amount in the form pro-  
vided by the said Rules.

2. AND IT IS HEREBY further agreed that the Borrower will furnish two Sureties  
of the like amount from permanent employees of the Company not below the status of  
the Borrower. The liability of the Sureties will continue, until Mortgage is created by  
the Borrower or till the entire amount of advance is fully repaid by the Borrower.

3. AND IT IS HEREBY FURTHER AGREED AND DECLARED THAT if the  
land and house are not mortgaged within 18 months from the date of registration of  
Title Deed/Sale Deed or within further time as the Company may allow in this behalf  
or if the Borrower becomes insolvent or quits the services of the Company or dies the  
whole amount of the advance together with interest accruing thereon shall immediately  
become due and payable to the Company and Company may ask the sureties to deposit  
the entire amount at a time.

4. It is hereby agreed that certified copy of the Original Title Deed/Sale Deed duly  
certified by the Registrar and original registration receipt issued by the Registrar will  
be submitted for grant of.....instalment of the sanctioned advance.

5. It is further agreed that the Borrower will create Mortgage by deposit of Original  
Title Deed in favour of the Company before drawal of the last instalment.

6. AND IT IS HEREBY LASTLY AGREED AND DECLARED that the Company  
shall be entitled to recover the balance of the said advance with interest remaining un-  
paid at the time of his/her retirement or death preceding retirement from the whole or  
any specified part of the gratuity that may be sanctioned to him/her.

7. Without prejudice to any other right of the Company in that behalf if any amount



becomes refundable or payable by the Borrower to the Company, the Company will be entitled to recover the same by deducting from pay of the Borrower such amount as shall deem reasonable.

#### THE SCHEDULE ABOVE REFERRED TO

IN WITNESS WHEREOF THE BORROWER has hereunto set his hand and Shri.....for and on behalf of the Company set his hand the date and year first before written.

SIGNED BY THE SAID BORROWER AT.....

.....in presence of :

.....  
(Full Signature of the Borrower)

Ist Witness.....

Address.....

Occupation.....

2nd Witness.....

Address.....

Occupation.....

SIGNED BY Shri.....

.....(For & on behalf of the Company..

at.....in the .....)

presence of.....(insert name of the Company)

Ist Witness.....

Address.....

Occupation.....

2nd Witness.....

Address.....

Occupation.....

- N.B. :
- (1) This agreement to be executed on a Non-judicial Stamp Paper of appropriate value as per the Rules of the State in which this will be executed.
  - (2) The signature of the witnesses should be given in full.
  - (3) The Schedule of land on which house will be constructed should be given in detail by Borrower.
  - (4) The letter of sanction of the Company to be annexed.



**FORM OF SURETY BOND TO BE EXECUTED IN RESPECT OF EMPLOYEES  
WHO WANT TO DRAW DUE INSTALMENTS EXCEPTING LAST INSTALMENT  
FOR CONSTRUCTION OF BUILDING BEFORE CREATION OF MORTGAGE  
BY DEPOSIT OF TITLE DEED**

(Vide Rule 5(b) (i) of House Building Advance Rules)

KNOWN ALL MEN BY THESE PRESENTS THAT WE, Shri.....  
.....Son of.....  
a resident of.....in the District of.....  
at present employed as a permanent employee as.....  
(Designation)  
in.....(hereinafter called "The First Surety") and Shri....  
.....Son of.....  
a resident of.....in the District of.....  
at present employed as a permanent employee as.....  
(Designation)  
in.....(hereinafter called the Second Surety) are jointly  
and severally held and firmly bound unto.....  
(insert the name of the Company)  
....., a Company registered under the Companies  
Act, 1956 having its registered office at.....  
(insert the address of the Company)  
in the.....referred to as "the Company" (which  
expression shall unless excluded by or repugnant to the subject or context include its  
successors and assigns in the sum of Rs.....(Rupees.....  
.....) only to be paid to the Company FOR WHICH  
PAYMENT to be well and truly made we hereby jointly and severally bind ourselves,  
our heirs, executors, administrators and representatives firmly by these presents. As  
witness we set our hands this day of.....One thousand Nine hundred  
and..... WHEREAS Shri.....  
a resident of.....  
in the District of.....at present an employee of the  
.....hereafter called the "Borrower")  
(insert the name of the Company)  
applied to the Company for an advance of Rs.....(Rupees.....



.....)  
for construction of Building on the plot of land at.....P. S.....  
Dist.....

AND WHEREAS THE Company sanctioned the payment of Rs.....  
(Rupees.....)  
only under the Rules framed by the Company to regulate the grant of advance to Com-  
pany's employees for building of house (hereinafter referred to as the "said Rules").

AND WHEREAS the Borrower has undertaken to repay the said amount in.....  
.....monthly instalments. AND WHEREAS the  
Borrower has agreed to deposit certified copy of the Sale Deed duly certified by the  
Registrar and original registration receipt for drawal of all the instalments excepting the  
last instalment of the sanctioned advance.

AND WHEREAS the borrower has further undertaken to Mortgage the land and house  
by depositing original Title Deed for the said amount before drawal of last and final  
instalment of the sanctioned advance but also within 18 months from the date of regis-  
tration of the sale deed or within further period of time as may be allowed by the Com-  
pany and to observe the provision of the said rules. AND WHEREAS in consideration  
of the Company having agreed to grant the aforesaid advance to the Borrower the Sure-  
ties have agreed to execute the above bond with such condition as hereunder written.

NOW THE CONDITION OF THE ABOVE WRITTEN BOND OR OBLIGATION  
is such that if the said Borrower shall while in the employment of the Company duly  
and regularly pay or cause to be paid to the Company, the amount of the aforesaid ad-  
vance owing to the Company by instalments until the said sum of Rs.....  
(Rupees.....)  
only together with interest thereon as per the Rules of the Company shall be duly paid  
or mortgaged to the Company the said land and building referred to above, whichever  
event happens earlier, then this bond shall be void otherwise the same shall be and re-  
main in full force and virtue. BUT SO NEVERTHELESS that if the Borrower shall  
die or become insolvent or at any time cease to be in the service of the Company, the  
whole or so much of the said principal sum of Rs.....(Rupees  
.....) only together with  
the interest as shall then remain unpaid shall immediately become due and payable to  
the Company and recoverable from the Sureties in one instalment by virtue of this Bond.  
We the above named first and second Surety jointly and severally undertake to pay full  
amount of advance and interest thereon on demand in case the Borrower Shri.....  
.....fails to create Mortgage by deposit of  
original Title Deed in favour of the Company within specified time as stipulated in the  
agreement executed by the Borrower on.....for drawal of due in-  
stalment of the sanctioned advance.



The obligation undertaken by the Sureties shall not be discharged or in any way be affected by extension of time or any other indulgence granted by the Company to the said Borrower.

Signed and delivered by Shri.....  
.....and Shri..... (Signature of First Surety)  
.....the said first and Designation.....  
second Surety at..... Office to which attached.....  
.....in .....  
presence of :

Ist Witness.....  
Address.....  
Occupation.....  
2nd Witness.....  
Address.....  
Occupation.....  
..... (Signature of the Second Surety)  
Designation.....  
Office to which attached.....

Ist Witness.....  
Address.....  
Occupation.....  
2nd Witness.....  
Address.....  
Occupation.....  
..... (Accepted by Shri.....  
.....  
on behalf of Company)

\*Strike out/off whatever is not applicable.

- N.B.** 1. This Bond to be executed on a Non-judicial stamp paper of appropriate value as per the Rules of the State in which this will be executed.
2. The signatures of the Witnesses should be given in detail.
3. Two witnesses are required for each signature separately.



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/IV/900

8 December, 1983

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules of Coal India Limited.**

House Building Advance Rules of Coal India Limited are amended to the extent indicated below :

**Rule 4(b)** The figure and words "Rs. 70,000/- (Rupees Seventy Thousand)" shall be substituted by "Rs. 1,25,000/- (Rupees one lakh twenty five thousand only)".

Further it has been decided to add Rule 4(c) below Rule 4(b) of the House Building Advance Rules, as under :

**Rule 4(c)** : "The advance shall be restricted to the amount which the employee may be expected to be in a position to repay by convenient monthly deductions from his/her pay before the date of his/her superannuation under the rules of the Company and partly if necessary from the gratuity that the employee may be eligible for under the service rules of the Company.

For this purpose, it shall be taken that an employee shall commence repayment of advance 18 months after the payment of the advance by the Competent Authority and that instalment calculated upto  $33\frac{1}{3}\%$  of pay will be within his paying capacity".

This issues with the approval of the competent authority.

(G. R. Bhandari)  
General Manager (EE)



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/IV/951

January 12, 1984

**OFFICE MEMORANDUM**

**Sub : Amendment of House Building Advance Rules of Coal India Limited.**

**Ref : This Office O.M. No. CIL/C-5A (vi)/50724/IV/900 dated 8.12.1983.**

A point has been raised as to the date from which the aforesaid Office Memorandum shall be effective. It is clarified that the provisions contained in the said Office Memorandum shall be effective from the date of its issue i.e. 8th December 1983 are not from any anterior date. It is further clarified that the cases of house building advance already sanctioned prior to 8.12.83 shall not be re-opened.

(G. R. Bhandari)  
General Manager (EE)



**COAL INDIA LIMITED**  
"Coal Bhawan"  
10, Netaji Subhas Road, Calcutta-700 001  
Post Box No. 871

No. CIL/C-5A (vi)/50724/IV/196

August 3, 1984

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules.**

Rule 4(b) of House Building Advance Rules has been amended so as to read as under :

**Rule 4(b) :** The provisions of existing Rule 4(b) shall be substituted by the following :

"Applicants may be granted an advance not exceeding 75 months pay (including Dearness pay, Personal pay and Special pay, DA, VDA and FDA where admissible) or Rs. 1,25,000/- whichever is less, for the following purposes :

- (i) Construction of new house on the plot owned by the employee or the employee or the employee and his/her wife/husband jointly provided they mortgage the house jointly.
- (ii) Purchasing a plot and constructing a house thereon.
- (iii) Purchasing a plot under Co-operative Schemes and constructing a house thereon.
- (iv) Outright purchase of a new and unlive in ready built house/flat from Housing Boards, Development Authorities and other statutory or Semi-Government bodies, Co-operatives and also from private parties.
- (v) Repayment of loan and/or advance taken by the applicant for constructing or purchasing a house.

Subject to the provision that the employee (i.e. borrower) is in a position to make a personal investment of not less than 5% of the total estimated cost of the house or of the land and the house taken together in cases covered by Rule 3(a) above. The actual amount of advance to be sanctioned will be determined by the Managing Director/Functional Director on the basis of plans and detailed specifications and estimates to be furnished by applicants justifying the amount of advance applied for and shall in no case exceed the estimated cost of construction/purchase and/or redemption within the ceiling prescribed above."

- 2. This amendment shall be effective from 8.12.1983.
- 3. This issues with the approval of the competent authority.

(G. R. Bhandari)  
General Manager (Personnel)



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/IV/246

August 29, 1984

**OFFICE MEMORANDUM**

**Sub : Release of Instalments of House Building Advance.**

In terms of Rule 7(a) (i) of the House Building Advance Rules, the loanee has to satisfy the Head of the Department regarding correctness of the certificates produced by the loanee of construction at various stages for release of instalments of advance.

2. Instances have come to notice in which carrying out of inspection of the premises takes considerable time particularly when employee constructs house in far off places. As a result of this, the loanees experience difficulties in drawal of subsequent instalments of house building advance.

3. The matter has been examined and in order to remove the difficulties it has been decided that in such exceptional cases, the instalments of the house building advance at various stages of construction may be released on the basis of certificates issued by qualified and registered Engineers/Architects regarding house having reached upto plinth/roof level.

(G. R. Bhandari)

*General Manager (Personnel)*



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Calcutta-700 001**

**Post Box No. 871**

No. C-5A (vi)/50724/IV/321

Dated the 9th November, 1984

**OFFICE MEMORANDUM**

**Sub : Grant of Addl. House Building Advance.**

1. Requests have since been received from those employees who were sanctioned house building advance prior to 8.12.83 not exceeding Rs. 70,000/-, for grant of additional house building advance on the ground of escalation of cost of construction of house or increase in sale price of flats or houses by the Housing Boards or Development Authorities of the State Govts.

2. In order to mitigate the hardship of the employees caused by escalation in the cost of construction of houses, it has been decided that applications for grant of addl. house building advance may be considered in accordance with extant House Building Advance Rules in respect of those employees to whom advance had been sanctioned prior to 8.12.83 but on or after 1st August '82, subject to the following conditions :

A. Conditions on which Additional House Building Advance may be sanctioned for construction of new houses :

- (i) The total advance including additional sanctioned amount should not exceed Rs. 1,25,000/- or 75 months pay, whichever is less;
- (ii) The completion report as contemplated in Rule 7(ii) of the House Building Advance Rules should not have been submitted by the loanee ;
- (iii) In case the construction of the house is delayed beyond 18 months from the date of drawal of first instalment, the extension of time for completion of the house has been obtained from the Competent Authority, and
- (iv) The estimated additional cost of construction should not be less than the additional advance applied for and the revised estimate should be duly certified by the authorised Civil Engineer.

B. Conditions for grant of additional House Building Advance for purchase of a new and unlive in house/flats from Housing Boards/Development Authorities and other Statutory or Semi-Govt. Bodies :

- (i) The loanee should not have paid the last instalment of the sale price of the House/flat to the Authority.



- (ii) The total amount of advance (including the additional advance) should not be more than the total sale price of the house/flat, subject to the maximum of Rs. 1,25,000/- or 75 months' pay, whichever is less.

3. The entitlement to the amount of additional advance shall be determined on the pay (including Dearness Pay, Personal Pay, Special Pay plus DA, VDA and FDA where admissible) of the employee on the date of application for such additional advance and taking into account the clause of repaying capacity of the employee as provided in Rule 4(c) of the House Building Advance Rules vide CIL's O.M. No. C-5A (vi)/50724/IV/900 dated 8.12.83.

4. This order shall apply to the House Building Advance originally sanctioned on or after 1.8.82. In all such cases, the sanction of additional advance will depend upon availability of funds as per approved budget.

This issues with the approval of Competent Authority.

(G. R. Bhandari)  
General Manager (Personnel)



**MEMORANDUM RECORDING MORTGAGE BY DEPOSIT OF TITLE DEEDS  
WHERE THERE IS ALREADY AN EQUITABLE MORTGAGE**

To (Name and address of the concerned company)

Further loan of Rs.....in addition to the loan of Rs.....  
secured by Equitable Mortgage dated.....

On the.....day of .....I, Shri.....

.....residing at No.....  
(full name)

having my office at No.....

delivered to you at No.....  
(indicate full address)

the documents of title specified in Schedule "B" hereto annexed relating to the immoveable property being No.....  
fully described in the Schedule 'A' hereto annexed including all buildings and structures standing thereon or to be erected thereon with intent to create a security thereon in your favour namely a mortgage by deposit of title deeds within the meaning of Section 58(f) of the Transfer of Property Act. for securing due repayment of all moneys advanced or to be advanced to me by you by way of House Building Loan together with all interest costs charges and expenses as between attorney and client which you may incur or be put to for protection and preservation of the said security or recovery of the amount or any part thereof. The said mortgage by deposit of title deeds has been duly recorded.

In consideration of the.....  
(Name of the concerned company)

agreeing to grant me further loan upto Rs.....(Rupees.....

.....) for House Building I Shri.....

.....place on record that it has been agreed  
that the title deeds specified in Schedule 'B' hereto annexed relating to the promises  
No.....including building and structures  
thereon which have been delivered to your Company at No.....  
(indicate address)

on the.....day of.....with intent to create a  
Security on the said equitable mortgage together with all buildings and structures  
thereon or to be constructed thereon shall be held by your Company as security in respect of further loan of Rs.....



I further agree that all the terms, conditions and covenants relating to mortgage by deposit of title deeds created on.....shall be applicable to the mortgage by deposit of title deeds also for the repayment of the said further loan or Rs.....

Dated, this.....day of.....19

**SCHEDULE "A" ABOVE REFERRED TO**

**Particulars of Property**

**SCHEDULE "B" ABOVE REFERRED TO**

**List of Title Deeds**

Signature.....

.....

Full Name (In Capital) of the Borrower

Designation.....

Department etc.....



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road, Calcutta-700 001**

**Post Box No. 871**

No. CIL/C-5A (vi)/50724/IV/425

January 18, 1985

**OFFICE MEMORANDUM**

**Sub : Amendment of House Building Advance Rules of Coal India Limited.**

It has been decided to amend Rule 4(b) of the House Building Advance Rules of Coal India Limited so as to include a new item (vi) under Rule 4(b) which will read as follows :

**Rule 4(b) (vi)** Acquiring of flats/houses through membership of Co-operative Group Housing Societies, subject to the following conditions :

(A) (i) The applicant shall execute a Personal Bond in the prescribed form and also furnish two sureties in the prescribed form. The Surety Bond shall be executed jointly by two sureties who are permanent employees of Coal India and its subsidiaries of same status as that of the applicant or of higher status having sufficient length of service upto the period of recovery of advance with interest from the loanee.

(ii) The surety should not be husband/wife or member of the same joint family and should not have stood surety for anybody else.

(iii) The amount of advance shall not exceed 75 month's pay (including DA) or Rs. 1,25,000/- or the cost of the flat whichever is the least, as admissible under the Rules.

(B) The amount of house building advance sanctioned to an employee shall be disbursed in the following manner :

(i) A sum equal to 30 per cent of the advance sanctioned shall be payable to the applicant on his executing the Bond and on furnishing two sureties in the prescribed form.

(ii) The remaining amount of the House Building Advance Sanctioned to an employee shall be disbursed in suitable instalments as fixed by the sanctioning authority at the time of issue of sanction, on the basis of the payment schedule of the flat furnished by the concerned Co-operative Group Housing Society. For each disbursement the employee shall produce a demand letter from the



Housing Society indicating the progress of the construction the correctness of which may be verified by the sanctioning authority by arranging inspection of the premises.

(iii) The original agreement between the Housing Society and the applicant, the share certificate issued by the Society, the letter from the Society allotting the flat to the members and original receipts for payment should be produced for verification by the loanee.

A certificate that the Co-operative Society is registered with the Registrar of Co-operative Societies of the concerned State shall also be produced.

(C) On transfer of the ownership of the flat in favour of the employee, the employee will mortgage it to the company as surety for the loan obtained from the company. The other conditions of granting loan will remain the same.

This amendment shall be effective from the date of issue.

This issues with the approval of the competent authority.

(G. R. Bhandari)  
General Manager (Personnel)



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Post Box No. 871**

No. CIL/C-5A (vi)/50724/V/513

March 22, 1985

**OFFICE MEMORANDUM**

**Sub : Amendment of House Building Advance Rules of Coal India Limited — Rule 4(b) (vi) of the House Building Advance Rules.**

Further to Coal India Limited's Office Memorandum No. CIL/C-5A (vi)/50724/IV/425 dated 18.1.1985 issued on the above subject, the proforma for Surety Bond and Personal Bond in connection with drawal of House Building Advance for acquiring of flats/houses through membership of Co-operative Group Housing Societies are sent herewith for your kind information and necessary action.

(R. Naha)  
*Dy. Personnel Manager*



**FORM OF PERSONAL BOND TO BE EXECUTED IN THE CASE OF  
ACQUIRING OF FATS/HOUSES THROUGH MEMBERSHIP OF CO-OPERATIVE  
GROUP HOUSING SOCIETIES**

(Vide Rule 4(b) (vi) of House Building Advance Rules)

KNOW ALL MEN BY THESE PRESENTS THAT I, son of.....  
(hereinafter referred to as "the Bounden") am held and firmly bound unto Coal India Limited having its registered office at 10, Netaji Subhas Road, Calcutta-700 001, hereinafter called "the Company" (which expression shall unless excluded by or repugnant to the subject or context, include its successors and assigns) in the sum of Rs..... to be paid to the Company, for which payment well and truly to be made, I bind myself, my heirs, executors, administrators and legal representatives by these presents.

Signed the.....day of.....19

WHEREAS the Bounden applied to the Company for loan of Rs.....  
(hereinafter referred to as "the said loan") for the purpose of purchase of residential flat/house situated at.....and more particularly described in the schedule hereunder written and which flat/house on completion of the construction is to be transferred shortly to the bounden by the.....

(Name of the Society)

Society Ltd. a Co-operative having its registered office at.....  
(hereinafter referred to as the Society), which has been duly sanctioned by the Company, on the terms and conditions interalia that the Bounden do execute in favour of the Company, a bond in the manner hereunder contained.

NOW THIS BOND IS CONDITIONED TO BE VOID IF THE Bounden(a) duly pays to the Company, the said sum of Rs....., within a period of.....  
.....Years from the.....day of.....19 by  
.....equal monthly instalments of Rs.....each,  
payable in each calendar month, the first of such instalments to be paid in the month of.....19 and the subsequent instalments to be paid in each and every succeeding calendar month thereafter and after the Bounden had duly paid the principal amount of the said loan in regular instalments as hereinbefore provided, the Bounden duly pays to the Company within a further period of.....years thereafter, the amount of interest, on the diminishing balances of the said loan until payment, at the rate of.....per cent per annum, such interest to be paid by.....equal monthly instalments of Rs.....each, to be the interest that the entire loan and interest thereon shall be repaid within a period  
.....YEARS FROM THE.....day of.....  
1985, provided however, that if the Bounden fails to pay any instalment of principal



and/or interest on its due date, then and in every such case, the amount of such instalment of principal or interest so in arrears, shall bear such higher rate of interest at the rate of.....per cent per annum and the amount of each of the said instalments of interest, shall be proportionately increased PROVIDED FURTHER that nothing herein contained shall be construed as a relaxation of the Bounden's obligation to duly and punctually pay the said instalments of principal and interest, on their respective due dates or otherwise any right or remedy of the Company.

(b) Within the time as shall be granted by the Company from the date of these presents, utilises the entire amount of the said loan in the purchase of a residential flat/house situated at.....and more particularly described in the Schedule hereunder written and in the purchase of such shares and/or debentures of the Society as may be required to be purchased as qualification for membership of the said Society and produces to the Company all the requisite documents of the title concerning the completion of the purchase of the said flat/house as also the shares/debentures required to be purchased as qualification.

(c) On transfer being executed in favour of the Bounden of the house/flat, he would mortgage it to the Company as security for the loan obtained from the Company.

(d) If the actual price of the said flat/house and shares/debentures required to be purchased as aforesaid, is less than the amount of the said loan, repay the excess to the Company forthwith.

(e) does not transfer, assign, underlet the said flat/house or any interest thereon part with possession thereof for transfer or otherwise alienate the said shares/debentures without the previous consent writing of the Company.

(f) So long as the said loan and interest or any part thereof is outstanding and if so required by the Company, hand over the said shares/debentures to the Company, along with properly signed loan transfer forms, as further security for the said loan.

(g) IT IS HEREBY AGREED by the Bounden as under :

(1) The said loan or the balance thereof for the time being due by the Bounden to the Company and all other moneys due under these presents, shall become immediately payable to Company in each every of the following events :

(a) If the Bounden fails to pay any instalment or repayment of principal on its due date as and when become due and payable.

(b) If the Bounden makes default in payment of any instalment of interest on its due date as hereinabove provided.

(c) If any distress or execution shall be levied upon any property of the Bounden or a receiver thereof be appointed.



(d) If the Bounden commits a breach of any of the said covenants or provisions and on his part to be observed and performed.

(e) If the Bounden dies or retires from or ceases to be in the service of the Company.

(f) If the Bounden presents a petition for being adjudged insolvent or is adjudicated insolvent.

(2) Company shall have the absolute right and full liberty to deduct every month from the Bounden's salary, the amount of monthly instalments and appropriate the same towards the said monthly instalments, in repayment of principal and interest, and for the purpose aforesaid, the Bounden hereby irrevocably authorises the Company, to make such deductions without the necessity of any further consent or concurrence of the Bounden.

(3) In the event of the retirement or death before retirement of the Bounden, Company will be entitled to recover the entire unpaid balance of the said loan remaining unpaid, at the time of such retirement or death, and all unpaid interest thereon, from the gratuity, if any, that may be sanctioned to the Bounden under the service rules applicable to him.

(4) Whenever any instalment of the principal or interest or an other sum, due and payable by the Bounden under these presents, shall be in arrears Company shall be entitled to recover the same, PROVIDED ALWAYS THAT this clause shall not affect any other rights, powers and remedies of the Company.

IN WITNESS WHEREOF THE Bounden above mentioned has hereto set his hand the day and year first hereinabove written.

#### THE SCHEDULE ABOVE REFERRED TO

Signed and Delivered by Shri.....	Signature of the Bounden.....
The Bounden within Named.....	.....
.....	Designation.....
In the presence of.....	Office to which attached.....
.....	.....
1st Witness.....	
Address.....	
Occupation.....	
2nd Witness.....	
Address.....	
Occupation.....	



**FORM OF SURETY BOND TO BE EXECUTED IN THE CASE OF ACQUIRING  
OF FLATS/HOUSES THROUGH MEMBERSHIP OF CO-OPERATIVE GROUP  
HOUSING SOCIETIES**

(Vide Rule 4(b)/(vi) of House Building Advance Rules)

KNOW ALL MEN BY THESE PRESENTS THAT WE, Shri.....  
.....Son of.....  
a resident of.....in the District of..... at  
present employed as a permanent employee as.....  
(Designation)  
in.....(hereinafter called "The First Surety") and Shri.....  
.....son of.....  
a resident of.....in the District of.....  
.....at present employee as a permanent employee as.....  
(Designation)  
.....in.....  
(hereinafter called the Second Surety) are jointly and severally held and firmly bound unto  
.....a Company registered under the  
(insert the name of the Company)  
Companies Act, 1956 having its registered office at.....  
(insert the address of the Company)  
.....in the.....referred to as "The Company"  
(Which expression shall unless excluded by or repugnant to the subject or context  
include its successors and assigns in the sum of Rs.....(Rupees.....  
.....) only to be paid to the Company  
FOR WHICH PAYMENT to be well and truly made we hereby jointly and severally  
bind ourselves, our heirs, executors, administrators and representatives firmly by these  
presents. As witness we set our hands this day of.....One thousand nine  
hundred and.....  
WHEREAS Shri.....a resident of.....  
in the District of.....at present an employee of the.....  
.....(hereinafter called the "Borrower")  
(insert the name of the company)



applied to the Company for an advance of Rs.....(Rupees.....  
.....) for purchase of a flat/house situated  
at.....from the.....Society.

AND WHEREAS the Borrower has undertaken to do and perform under the Bond  
dated the.....day of.....19 , executed in favour  
of the.....

(Name of the Company)

NOW THE CONDITION OF THE ABOVE WRITTEN BOND OR OBLIGATION  
is as follows :

That we the First and Second Surety do hereby guarantee that the Borrower shall do  
and perform all that he has undertaken to do and perform under the Bond, dated the  
.....day of.....19 executed by him in  
favour of the.....and do hereby bind ourselves jointly and

(Name of the Company)

severally to pay to the Company a sum of Rs.....(in words Rupees.....  
.....) being the amount due and payable by the  
Borrower under the said bond or such sum as the Company shall deem to be sufficient  
to cover any loss or damage, the Company may have sustained by reason of default of  
the Borrower.

That we jointly and severally do hereby further agree that the Company, may without  
prejudice of any other rights and remedies, recover from us, the said sum, and we here-  
by further agree that any forbearance in enforcement of the said Bond or any other  
indulgence granted to the Borrower or any variation of the terms of the said Bond or any  
time given to the Borrower or any other conditions or circumstances under which in law  
a surety would be discharged, will not discharge us from our liability to pay the said sum  
and for the purpose of enforcement of this bond, our liability under this bond will be  
as Principal debtors and joint and several with that of the Borrower.

Dated this.....day of.....19

Signed and delivered by

.....  
(Signature of first Surety)

1. Shri..... Designation.....  
..... Office to which attached.....  
.....



2. Shri.....  
.....  
..... (Signature of second Surety)  
the said Sureties at..... Designation.....  
..... Office to which attached.....  
.....

In presence of :

1st Witness

Address

Occupation.....

2nd Witness.....

Address.....

Occupation.....

Accepted by Shri.....

.....  
(For and on behalf of the Company)



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road, Calcutta-700 001**

**Post Box No. 871**

No. CIL/C-5A (vi)/50724/IV/181

July 31, 1985

**OFFICE MEMORANDUM**

**Sub : Amendment to the House Building Advance Rules of Coal India Limited — Rule 4(c).**

1. It has been decided that second paragraph of Rule 4(c) of the House Building Advance Rules of Coal India Limited shall be substituted by the following :

"For this purpose, it shall be taken that an employee shall commence repayment of advance 18 months after the payment of the advance by the Competent Authority and that instalment calculated upto 50 % of pay will be within his paying capacity."

2. This amendment will have immediate effect.

3. This issues with the approval of the Competent Authority.

(G. R. Bhandari)

*General Manager (Personnel)*



**COAL INDIA LIMITED**  
"Coal Bhawan"  
10, Netaji Subhas Road, Calcutta-700 001

No. CIL/C-5A (vi)/50724/MP/196

August 8, 1985

The Addl. Chief Personnel Manager (Admn.)  
Western Coalfields Limited  
Coal Estate, Civil Lines  
Nagpur-440 001

**Sub : House Building Advance.**

Dear Sir,

Kindly refer to your letter No. WCL/CMD/Legal/HBA/85/5481 dated 8th April, '85, seeking clarification on the mortgagability of the house within 3 months' from the date of drawal of the advance, in terms of Rule 5(a) (3) of House Building Advance Rules.

This is to clarify that the condition that the house is to be mortgaged to the company within 3 months of the drawal of the advance, should be construed to mean that in the case of outright purchase of flats, the period of 3 months shall be counted from the date of drawal of the advance in one lump sum, while in the case of purchase of flats under self-financing scheme, cost of which being payable in a number of instalments, the period of 3 months shall be counted from the date of drawal of the last instalment of the advance.

Yours faithfully,

(K. B. Sharma)  
*Personnel Manager*



**COAL INDIA LIMITED**  
"Coal Bhawan"  
10, Netaji Subhas Road, Calcutta-700 001  
Post Box No. 871

No. CIL/C-5A (vi)/50724/V/201

August 12, 1985

**OFFICE MEMORANDUM**

**Sub : Rates of Interest on House Building Advance.**

Further to CIL's Office Memorandum No. C-5(B)/50724/678 dated 20.10.78 (copy enclosed for ready reference) indicating therein the rates of interest applicable to the house building advance upto Rs. 70,000/-, it has been decided that the interest to be charged on the portion of the house building advance in excess of Rs. 70,000/- and upto Rs. 1,25,000/- sanctioned on or after 8.12.1983, shall be at the following rates :

<b>Portion of the House Building Advance</b>	<b>Rate of interest</b>
(i) Rs. 70,001/- to Rs. 75,000/-	10% per annum
(ii) Rs. 75,001/- to Rs. 1,25,000/-	12% per annum

Other conditions of Rule 6 of House Building Advance Rules will remain unaltered.  
This issues with the approval of the Competent Authority.

(G. R. Bhandari)  
General Manager (Personnel)



**COAL INDIA LIMITED**

**"Coal Bhawan"**

**10, Netaji Subhas Road**

**Calcutta-700 001**

No. C-5(B)/50724/678

Dated, the 20th Oct. '78

**OFFICE MEMORANDUM**

**Sub : Amendment to House Building Advance Rules.**

House Building Advance Rules of Coal India Mines Authority Limited/Coal India Limited will stand modified with effect from 28th July, 1978 to the extent as mentioned below : **Rule 4(b)** : The words "Rs. 50,000/- (Rupees Fifty thousand only)" shall be substituted by "Rs. 70,000/- (Rupees Seventy thousand only)".

**Rule 6** : The last sentence "The rate will be the Government lending rate as prevalent at the time of giving the advances" shall be deleted and the following shall be added :

"The interest to be charged on the advances given on 28th July, 1978 or thereafter shall be at the rates mentioned below :

(i) $6\frac{1}{2}\%$ for the first	Rs. 25,000/-
(ii) 8% for the next	Rs. 25,000/-
(iii) 10% for the next	Rs. 20,000/-

---

Total : Rs. 70,000/-

In the process of recovery of advance, the portion of the advance carrying higher rate interest shall be treated as having been refunded first".

This modification to the existing House Building Advance Rules issues with competent approval.

Sd/-

(S. D. Chandra)

Chief of Personnel Division



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/V/579

February 3, 1986

**OFFICE MEMORANDUM**

**Sub : Amendment of House Building Advance Rules — Enhancement of the Ceiling Limit for Enlargement of Living Accommodation of the Existing House.**

It has been decided to enhance the existing limit of house building advance for enlarging the living accommodation from Rs. 25,000/- to Rs. 40,000/-. Rule 3(b) of the House Building Advance Rules will accordingly be replaced by the following :

"3(b) — enlarging living accommodation in an existing house owned by the Company servant concerned, provided the total cost of the proposed additions and extensions does not exceed Rs. 40,000/-".

This amendment will have immediate effect.

This issues with the approval of Competent Authority.

(G. R. Bhandari)  
*General Manager (Personnel)*



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/V/12

Date 7.4.1986

**OFFICE MEMORANDUM**

**Sub : Amendment of House Building Advance Rules of Coal India Limited.**

In partial modification of the existing provision of Rule 4(c) of Coal India Limited House Building Advance Rules, it has been decided that the following proviso may be added thereto :

**Proviso to Rule 4(c) :** "Provided that in respect of employees governed by the Payment of Wages Act, the repaying capacity would be assessed taking into consideration the limits of deductions stipulated in Section 7(3) of the said Act."

This issues with the approval of the competent authority.

This amendment shall take effect from the date of issue.

(G. R. Bhandari)  
*General Manager (Personnel)*



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/III/30

Date April 18, 1986

**CORRIGENDUM**

**Sub : Amendment of House Building Advance Rules — Enhancement of the Ceiling Limit for Enlargement of Living Accommodation of the Existing House.**

Keeping in view the amended provision of Rule 3(b) of the House Building Advance Rules as circulated vide CIL's O.M. No. C-5(B)/50724/III/05 dated 7.4.81, the amendment vide CIL's O.M. No. C-5A (vi)/50724/V/379 dated 3.2.86 is hereby corrected to read as under :

"3(b) — enlarging living accommodation in an existing house owned by the Company servant concerned or owned by the Company employee jointly with his/her wife/husband, provided the total cost of the proposed additions and extensions does not exceed Rs. 40,000/-".

The above corrected provision of Rule 3(b) of House Building Advance Rules is effective from 3.2.1986.

(G. R. Bhandari)  
*General Manager (Personnel)*



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/V/70

June 18, 1986

**OFFICE MEMORANDUM**

**Sub : Amendment of House Building Advance Rules of Coal India Limited.**

The CIL Board at its 74th meeting held on 17th May 1986 has amended the House Building Advance Rules of Coal India Limited as under :

(1) A Note (ii) may be added under Rule 1 of the House Building Advance Rules as under :

"Note-(ii) : In respect of employees of Govt. Organisations/Public Sector Undertakings joining Coal India Limited as a fresh appointee after severing lien from the previous employees, the permanent status earned by them in that Organisation and/or the period of continuous services rendered by them in the said Organisations immediately before joining CIL shall also be counted for the purpose of this rule for grant of house building advance to them. In such cases, no further examination of the documents pertaining to the properties against which loan had been advanced by their erstwhile employers will be necessary. However, the employee will be required to create a fresh mortgage of the concerned property in favour of CIL as per HBA Rules of CIL. In such cases payment will be made directly to the previous employer from whom the advance was taken and not to the employee".

(2) Rule 3(a) of the House Building Advance Rules stands substituted by the following :

"Constructing a new house (including acquisition of a suitable plot of land for the purpose), either at the place of duty or at the place where the Company servant proposes to settle after retirement. Application for advance for purchasing a ready-built house or for repayment of any outstanding amounts on account of loans expressly taken from Govt. Organisations/Public Sector Undertakings together with interest accrued thereon subject to the overall ceiling limit of House Building Advance for the purpose aforesaid before the date of receipt of application for advance, may also be considered".

2. This issues with the approval of the competent authority.

3. This will take immediate effect.

(A. P. Sinha)

*General Manager (Personnel)*



CIL/C-5A (vi)/50724/V/80

July 1, 1986

The General Manager (Admn.)

Central Coalfields Limited

Darbhangra House

Ranchi.

**Sub : Payment of 2nd and 3rd Instalments of House Building Advance in Respect of Officers Transferred from One Company to Another.**

Dear Sir,

Please refer to your letter No. CCL/GA-Genl/H.B.Adv./P.K.Sinha/86/11939 dated the 19th May, 1986.

The matter has been examined in consultation with the Legal Department. On transfer of an employee who was granted house building advance, the transferee company shall pay the house building advance instalments in the basis of advice from the transferer company. The recovery of house building advance should be made by the transferee company on the advice of the transferer company. This issues with the approval of the competent authority.

Yours faithfully,

Sd/-

(K. B. Sharma)

*Dy. Chief Personnel Manager*



**COAL INDIA LIMITED**  
**"Coal Bhawan"**  
**10, Netaji Subhas Road, Calcutta-700 001**  
**Post Box No. 871**

No. CIL/C-5A (vi)/50724/V/281

February 4, 1987

**OFFICE MEMORANDUM**

**Sub : Rule 4(c) of the House Building Advance Rules — Interpretation Thereof.**

In terms of Rule 4(c) of House Building Advance Rules, the house building advance shall be restricted to the amount which the employee may be expected to be in a position to repay by convenient monthly deductions from his/her pay before the date of his/her superannuation under the rules of the company and partly if necessary from the gratuity that the employee may be eligible for under the service rules of the Company, taking his/her maximum repaying capacity as 50% of pay per month.

One of the subsidiary companies has pointed out that the wordings "and partly if necessary from the gratuity that the employee may be eligible for under the service rules of the company" is quite ambiguous and can be interpreted in different ways giving rise to un-necessary controversy.

It is, therefore, clarified that the house building advance should be restricted to amount which the employee is in a position to repay before the date of his superannuation, taking his monthly repaying capacity to be 50% of his pay. In the cases where the recovery of the total advance cannot be effected within the stipulated time for unforeseen reasons such as long leave without pay, termination of service, voluntary retirement, resignation, death etc., the amount of outstanding house building advance is to be recovered from the gratuity of the employee.

(A. P. Sinha)  
*General Manager (Personnel)*



COAL INDIA LIMITED  
"Coal Bhawan"  
10, Netaji Subhas Road  
Calcutta-700 001

Dated, 19th March, 1987

No. CIL/C-5B/53270/30/236

To

- (1) Chairman-cum-Managing Director, CMPDIL, Ranchi.
- (2) Shri J. Sharan, Director (Personnel), ECL, Sanctoria.
- (3) „ R. A. P. Singh, Director (Personnel), BCCL, Dhanbad.
- (4) „ U. K. Choubey, Director (Personnel), CCL, Ranchi.
- (5) „ G. R. Bhandari, Director (Personnel), WCL, Nagpur.
- (6) „ S. D. Pandey, Director (Personnel), SECL, Bilaspur.
- (7) „ T. B. Sinha, Director (Personnel), NCL, Singrauli.

**Sub : Grant of House Building Loan to Daily Rated Workers.**

Dear Sir,

Plased on the decision taken in the 30th meeting of Directors (P) held on 12th February, 1987 it has been decided that henceforth daily rated workers may also be granted house building loan along with others as per House Building Advance Rules of Coal India Limited subject to availability of fund.

This is for your information & necessary action in the matter.

Yours faithfully,

(I. B. Pandey)  
General Manager (MP&IR)



COAL INDIA LIMITED  
"COAL BHAWAN"  
10, NETAJI SUBHAS ROAD, CALCUTTA - 700 001  
POST BOX NO. 871

No. CIL/C5A(vi)/50724/V/118

September 25, 1989

**OFFICE MEMORANDUM**

**Sub : Amendments of House Building Advance Rules.**

The CIL Board at its 103rd meeting held on 23rd August, 1989 decided to amend the CIL House Building Advance Rules as under :

**1. Rule 3(b)**

Rule 3(b) shall be substituted by the following :

Enlarging living accommodation in an existing house owned by the company employees concerned or owned the company employee jointly with his/her wife/husband, the total cost of the proposed additions and extensions does not exceed Rs. 60,000/-.

**2. Rule 4(b)**

The maximum limit of House Building Advance has been enhanced from Rs. 1,25,000/- to Rs. 2,50,000/-.

**3. Rule 6**

The interest to be charged on the advances given on the enhanced limit of HBA of Rs. 2,50,000/- on or after 23rd August, 1989 would be as under :

Amount of Advance	Rate of Interest
a) For first Rs. 25,000/-	6½%
b) For next Rs. 25,000/-	8%
c) For next Rs. 25,000/-	10%
d) For next Rs. 1,75,000/-	12%

The above amendments will be effective from the date of Board's approval i.e. 23rd August, 1989.

( R. G. SINGH )  
GENERAL MANAGER(P)



COAL INDIA LIMITED  
"COAL BHAWAN"  
10, NETAJI SUBHAS ROAD, CALCUTTA - 700 001  
POST BOX NO. 871

No. CIL/C5A(vi)/50725/V/204

November 29, 1989

**OFFICE MEMORANDUM**

**Sub : Revision of rates of interest on House Building Advance.**

CIL Board at its 105th meeting held on 7th November, 1989 approved revision in the rate of interest to charged on House Building Advance, as per CIL House Building Advance Rules, as under :

Amount of Advance		Revised rate of interest per annum
a)	1st Rs. 25,000/-	6.5%
b)	In excess of :	
i)	Rs. 25,000/- and upto Rs. 50,000/-	7%
ii)	Rs. 25,000/- and upto Rs. 1 lakh	8%
iii)	Rs. 25,000/- and upto Rs. 1.50 lakhs	9%
iv)	Rs. 25,000/- and upto Rs. 2 lakhs	10%
v)	Rs. 25,000/- and upto Rs. 2.25 lakhs	10.5%
vi)	Rs. 25,000/- and upto Rs. 2.50 lakhs	11%

The above rate will be applicable on HBA granted on or after 1-11-1989.

( R. G. SINGH )  
GENERAL MANAGER (P)



COAL INDIA LIMITED  
"COAL BHAWAN"  
16, NETAJI SUBHAS ROAD, CALCUTTA - 700 001  
POST BOX NO. 871

No. CIL/C5A(vi)/50724/V/256

January 9, 1990

OFFICE MEMORANDUM

The decision of the CIL Board in its 105th Meeting held on 7th November, 1989 regarding the rate of interest to be charged on House Building Advance was communicated vide this Office Memorandum No. CIL/C5A(vi)/50724/V/204 dated 29th November, 1989. It was mentioned that the rates would be applicable on House Building Advance granted on or after 1st November, 1989.

2. On re-consideration of the matter, it is clarified that the revised interest rate would equally apply on outstanding loan on 1-11-1989 from that date. Upto 31-10-1989 the old rates of interest would apply in such cases.
3. This issues with the approval of competent authority.

( R. G. SINGH )  
GENERAL MANAGER (P)



कोल इण्डिया लिमिटेड

(भारत सरकार का उपक्रम)

**COAL INDIA LIMITED**

(A Govt. of India Enterprise)

कोल भवन "COAL BHAWAN"

PREMISES NO: 04, MAR, PLOT NO: AF-III  
ACTION AREA-1A, NEW TOWN, RAJHARHAT  
KOLKATA-700156 (WB)



महारात्न कंपनी

A Maharatna Company

(An ISO 9001:2015 & ISO 50001:2011 Certified Company)

**PERSONNEL DIVISION  
POLICY CELL**

E-MAIL: [policycell.cil@coalindia.in](mailto:policycell.cil@coalindia.in)

TEL: 033-7110 4227

FAX: 033-2324 4140

WEBSITE: [www.coalindia.in](http://www.coalindia.in)

CIN: L23109WB1973GOI028844

Ref: CIL/C5A (PC)/HBA/2828

Date: 08.05.2018

**OFFICE MEMORANDUM**

**Sub: Amendments in CIL House Building Advance Rules**

The CIL Board in its 360<sup>th</sup> meeting held on 10.03.2018 approved the following amendments in the CIL House Building Advance Rules:

Sl. No.	Existing Provision	Amended Provision
1.	<b>1. Eligibility</b> House Building Advance may be granted to the following categories of company's employees: a) Permanent company employees b) Company's employees not falling in category (a) above who have rendered continuous service as given below: i. 7 years upto/before 31.03.80 ii. 8 years upto/before 31.03.81 iii. 9 years upto/before 31.03.82 iv. 10 years after 31.03.82	<b>Eligibility</b> House Building advance may be granted to Company Employees on regular appointment after completion of minimum 5 years' service excluding probationary period.
2.	<b>New provision added</b>	No employee will be eligible for House Building Advance if: 1. He is superannuating within 60 months. 2. He is on deputation from Central or State Government or other Organization 3. The purchase of the land/ house is made from any family member/ relative who is dependent upon him.
3.	<b>3. (b) Purposes for which advance may be granted</b> Enlarging living accommodation in an existing house owned by the Company	<b>Purposes for which advance may be granted</b> Enlarging the living accommodation in the existing house owned by the Employee or

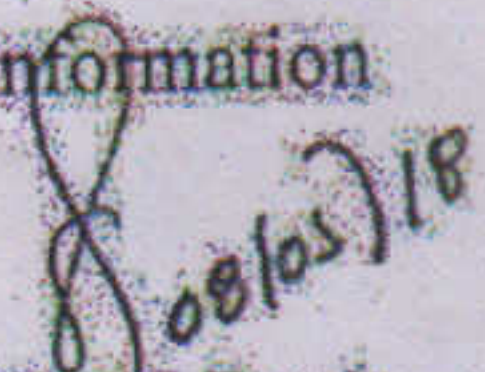


	employee concerned or owned by the company employee jointly with his/ her wife/ husband, the total cost of the proposed additions and extensions does not exceed for Rs. 60000/-	owned jointly with his/ her wife/ husband and the total cost of the additions and extensions of which does not exceed for Rs. 6,00,000/- provided the Employee has minimum 3 years of service left.																		
4.	<b>4. (b) Amount of Advance</b> Applicants may be granted an advance not exceeding 75 months' pay (including Dearness Pay, Personal Pay and Special Pay, DA, VDA and FDA where admissible) or Rs. 2,50,000/- whichever is less.	<b>Amount of Advance</b> The amount of House Building Advance would be limited to 75 months' pay (including Dearness Pay, Personal Pay and Special Pay, Special DA and VDA where admissible) or Rs. 30.0 lakhs, whichever is less. This will subsume the advance amount under "CIL Furniture and Household Goods Purchase Scheme".																		
5	<b>6. Interest rate:</b> <table><tr><th>Amount of advance</th><th>Rate of Interest per annum</th></tr><tr><td>For first Rs. 25000/-</td><td>6.5 %</td></tr><tr><td>In excess of :</td><td></td></tr><tr><td>i. Rs. 25000/- and upto Rs. 50000/-</td><td>7%</td></tr><tr><td>ii. Rs. 25000/- and upto Rs. 1 lakh</td><td>8%</td></tr><tr><td>iii. Rs. 25000/- and upto Rs. 1.5 lakhs</td><td>9%</td></tr><tr><td>iv. Rs. 25000/- and upto Rs. 2 lakhs</td><td>10%</td></tr><tr><td>v. Rs. 25000/- and upto Rs. 2.25 lakhs</td><td>10.5%</td></tr><tr><td>vi. Rs. 25000/- and upto Rs. 2.5 lakhs</td><td>11%</td></tr></table>	Amount of advance	Rate of Interest per annum	For first Rs. 25000/-	6.5 %	In excess of :		i. Rs. 25000/- and upto Rs. 50000/-	7%	ii. Rs. 25000/- and upto Rs. 1 lakh	8%	iii. Rs. 25000/- and upto Rs. 1.5 lakhs	9%	iv. Rs. 25000/- and upto Rs. 2 lakhs	10%	v. Rs. 25000/- and upto Rs. 2.25 lakhs	10.5%	vi. Rs. 25000/- and upto Rs. 2.5 lakhs	11%	<b>Interest rate:</b>  The interest rate for the advance would be as per the prevailing rate fixed by Government of India on House Building Advance from time to time.
Amount of advance	Rate of Interest per annum																			
For first Rs. 25000/-	6.5 %																			
In excess of :																				
i. Rs. 25000/- and upto Rs. 50000/-	7%																			
ii. Rs. 25000/- and upto Rs. 1 lakh	8%																			
iii. Rs. 25000/- and upto Rs. 1.5 lakhs	9%																			
iv. Rs. 25000/- and upto Rs. 2 lakhs	10%																			
v. Rs. 25000/- and upto Rs. 2.25 lakhs	10.5%																			
vi. Rs. 25000/- and upto Rs. 2.5 lakhs	11%																			
6	<b>5. (3)(b) Disbursement &amp; Security</b> In addition to their executing the agreement/mortgage referred to in sub-paragraph (a) above, the following 3 categories of applicants shall also be required to furnish the surety of an approved permanent employee in the prescribed form before the sanctioned advance or any part thereof is actually disbursed to them: (i) All applicants who are not permanent servants;	<b>Disbursement &amp; Security</b> In addition to executing the agreement/ mortgage, referred to in sub-paragraph (a) above, the applicant is required to furnish surety of a permanent employee in the prescribed form before the sanctioned advance or any part thereof is actually disbursed to them.																		



	<p>(ii) All applicants who are due to retire from service within a period of 18 months following the date of application for the grant of an advance; and</p> <p>(iii) All applicants who are permanent company employee but are not covered by sub-paragraph (ii) above if they require the advance for purchase of a ready built house or repayment of earlier loan(s) taken for construction/ purchasing a house.</p>	
7	New provision added	<p><b>Sanctioning Authority:</b> Functional Directors of CIL &amp; its Subsidiaries are authorized to approve the advance after satisfying themselves that the Employee has the capacity for repaying the advance in the stipulated period.</p>
8	New provision added	<p>The application for House Building Advance is to be decided within one month and the status of the application is to be uploaded on the website of the Company.</p>

The above amendments shall come into force with immediate effect. This is for information and compliance by all concerned.

  
 (PVKRM Rao)  
 General Manager (P/Rect/ PC)

**Distribution:**

1. D (P&IR)/ D (F)/ D (T)/ D (M), CIL
2. CMD, ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
3. CVO, CIL
4. Functional Directors, ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
5. CVO, ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
6. GM/TS to Chairman, CIL
7. GM/ HoD (P/EE), CIL/ ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
8. GM/ HoD (Finance), CIL/ ECL/ BCCL/ CCL/ NCL/ SECL/ WCL/ MCL/ CMPDIL
9. Company Secretary, CIL – in reference to your letter no. CIL/ XI(D)/ 04112/ 2018/ 20739 dated 23.04.2018.
10. GM, New Delhi Office
11. GM/ HoD (IICM)
12. GM, NEC
13. GM (System), CIL – with a request to please upload the same in CIL website for information of all concerned.
14. Master File