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EXTRAORDINARY

PART II - Section 3 - Sub-section (i)

No. 282 NEW DELHI, WEDNESDAY, JUNE 29, 1994 / ASADHA 8, 1916

**MINISTRY OF SURFACE TRANSPORT
(Ports Wing)
New Delhi, the 27th JUNE, 1994**

NOTIFICATION

1. G.S.R. 554(E) - In exercise of the powers conferred by Sub-section (i) of Section 124, read with Sub-section (i) of Section 132 of the Major Port Trusts Act, 1963 (38 of 1963), the Central Government hereby approves the Calcutta Port Trust (Interest Subsidy on House Building Advance) Regulations, 1994 made by the Board of Trustees for the Port of Calcutta and set out in the Schedule annexed to this notification.
2. The said regulation shall come into force on the date of publication of this notification in official Gazette

[No.PR-12016/20/94-PE-I]
ASHOKE JOSHI, JT. SECY.

CALCUTTA PORT TRUST

**(INTEREST SUBSIDY ON HOUSE BUILDING ADVANCE)
Regulations, 1994**

In exercise of the powers conferred by Section 28 read with Section 124 of the Major Port Trust Act, 1963 (Act 38 of 1963), the Board of Trustees of the Port of Calcutta hereby makes the following Regulations namely:-

1. **Short Title and Commencement :-**

(i) These Regulations may be called the Calcutta Port Trust (Interest Subsidy on House Building Advance) Regulations, 1994.

(ii) This will come into force from the date of notification in the Official Gazette :

2. **Extent of Application :-** These Regulations shall apply -

(i) To all permanent employee of the Board, and

(ii) To other employees of the Board who have rendered at least 10 years' continuous service.

3. **Definition :-** In these Regulations, unless the context otherwise requires :-

(a) "Bank" shall mean National Bank approved by the Trustees under these Regulations.

(b) "Board" means the Board of Trustees of the Port of Calcutta.

(c) "Chairman" shall mean the Chairman of the Board.

(d) "F.A.& C.A.O." shall mean the Trustees ' Financial Adviser & Chief Accounts Officer.

(e) "Financial Institutions" shall mean the Institutions duly approved by the Trustees through which House Building loans are granted.

(f) "Gratuity" means either Death-cum-Retirement Gratuity/gratuity admissible to the employees of the Board under the provision of Pension Regulations as applicable to them or "Special Contribution" admissible to them as members of Contributory Provident Fund of the Calcutta Port Trust.

(g) "Head of Department" means a Head of Department under the provisions of Section 24 of the Major Port Trusts Act, 1963.

(h) "Loan" shall mean the house building loan under these Regulations.

4. For the purpose of this Regulation -

(1) a panel of Financial Institutions having Schemes for House Building Advance will be prepared by the Board.

(2) an employee eligible for House Building advance under the Regulation may apply to such financial institutions for grant of a loan and if he wants the interest subsidy under this Regulation, financial institutions will forward the paper to the F.A.& C.A.O. of the Board.

5. Where both husband and wife are employees of the Board, only one of them will be eligible for benefit under this Scheme.

6. Interest Subsidy:- The Board may grant subsidy to the employees to meet the difference between the rate of interest at which the Government of India sanctions standard loans to their own employees from time to time and the lowest among the rates of interest charged by the Nationalized Banks or L.I.C. or H.D.F.C. on loan granted by them to Port employees from time to time subject to the following conditions :-

(a) The Board will pay the interest subsidy to the employees concerned on the basis of a certificate from the Financial Institution like Nationalized Banks, LIC or HDFC with regard to the interest actually paid by the borrower on the house building advance made to him along with the rate of interest charged.

(b) The Board will not pay any penal interest levied by the Financial Institutions concerned for defaults in payment.

(c) The subsidized interest payable to the employees by the Board will be reduced to the extent of rebate, if any, allowed by the Financial Institutions to the borrower for timely repayment of loan.

7 An employee will get benefit under this Regulation only once during his/her entire service.

8.* [Purpose of advance for which interest subsidy is payable - Interest subsidy will be granted for Advance taken by the employees from Financial Institutions for the following purpose :-s

(i) constructing a new house (including acquisition of a plot of land for the purpose) either at the place of duty or at the place where the employee of this port proposes to settle after retirement.

(ii) enlarging living accommodation in an existing house owned by the employee concerned (or jointly owned with his' her wife/husband only) either at place of duty or at a place where the employee of this Port proposes to settle after retirement.

(iii) Purchase of a ready-built house or flat either at the place of duty or at a place where the employee of this Port proposes to settle after retirement.]

9. Maximum amount of advance on which interest subsidy is payable - Employees may be granted interest subsidy on advance not exceeding an amount equal to 50 times the monthly pay subject to a maximum of Rs.2.50 lakhs.

NOTE : Pay for this purpose will mean basic pay including officiating pay (excluding where drawn in a leave vacancy).

10. Estimated cost of house to be built /purchased.- The estimated cost of the house to be built/purchased (excluding the cost of the plot) for the purpose of grant of interest subsidy on the advance shall not exceed double the admissible loan amount.
11. Repaying capacity for the purpose of calculating the admissible loan amount on which subsidy is payable by the Board.- For the purpose of calculating the admissible loan amount on which interest subsidy is payable by the Board, the repaying capacity of he employee shall be calculated in the following manner :-

a) In the case of employees retiring after 20 years	35% of pay
(b) In the case of employees retiring after 10 years, but not more than 20 years	Upto 40% pay ; 60% of Death-cum-Retirement Gratuity may also be taken into consideration
(c) In the case of employees retiring within 10 years	Upto 50% of pay .In addition Death-cum retirement Gratuity upto70% can also be taken into consideration.

Death-cum-Retirement Gratuity shall be calculated on the basis of notional basic pay that the employee will draw in the existing scale of pay and the numbers of years of qualifying service that he will render at the time of his superannuation.

12. Period upto which interest subsidy on house building advance is payable. - Interest subsidy on the advance borrowed by the employee from the Financial Institutions shall be paid by the Board only upto the date of termination of the service of the employee (either due to retirement on superannuation, voluntary retirement, compulsory retirement, dismissal or removal from service or death or due to whatever reasons or upto the date of repayment of loan in full by the employee, whichever is earlier.
13. Board not to stand as guarantor for repayment of loan.-
- (i) The Board shall not stand as guarantor for repayment of the loan nor will be deemed as guarantor for the loans obtained by the employee from the Financial Institutions.

(ii) Every employee obtaining house building advance from a Nationalized Bank will be required to open a Bank Account in their individual name with such Bank and authorize the Board to remit their monthly salary to their Bank Account opened with such Nationalized Bank.

(iii) An employee obtaining a loan from a Financial Institution will be required to submit such details as required by the Financial Institutions and he will also have to provide such security for the advance and to comply with such terms and conditions as may be, required by the Financial Institutions.

14. Interpretation - Any question arising out of these Regulations will be placed before the Board for decision.

*Substituted by 1st Amendment Regulation.

Calcutta Port Trust Employees (Interest Subsidy on House Building Advance) First Amendment Regulations, 1996 was published vide notification no. G.S.R. 162 (E) dated 29th March, 1996 in the Gazette of India (Extraordinary).