

**GOVERNMENT OF HARYANA
FINANCE DEPARTMENT
NOTIFICATION**

Dated, Chandigarh the 4th November. 2016

No. 2/2/2004-WM(3)—The Government of Haryana hereby notifies the scheme to shift of the loan portfolio to the Bank (Punjab National Bank) in respect of House Building loan, Vehicle Loan, Computer Loan and Marriage loan of the employees of the Haryana Government on the following terms and conditions. The powers already delegated for sanctioning of House Building Advance for purpose of construction of house/purchase of plot/built up house/flat and repair/extension of house, purchase of motor-car, motor-cycle, moped, bi-cycle advance, Purchase of Computer and Marriage Advance will remain with the Head of the Department.-

- I. The amount will be sanctioned keeping in view the existing policies issued by the Government of Haryana vide letter No.2/2/2004-WM(3) dated 22.11.2010 in regard to Housing loan, 16/1/10-WM(6) dated 16.07.2010 for vehicle loan, 2/2/2007-WM(S) dated 22.11.2011 for computer loan and 38/110/99-WM(5) dated 22.11.2010 for Marriage loan.
- II. The Head of the Department and Drawing and Disbursing Officer will ensure that the complete data in respect of the amount sanctioned is uploaded on the site <http://esalaryhry.nic.in> within 15 days of the receipt of the application and the data will be accessible to the bank for providing the loan. A standard operating procedure has been devised by the Finance Department. The standard operating procedure is enclosed which needs to be meticulously followed by the respective Authorities while providing loans.
- III. That the bank would provide loan to the employees for all the above categories after sanctioning of the same by the Head of the Department and will contact the employee concerned for completion of documentation if any, required and will ensure that the sanctioned loan is disbursed within one month from the date of uploading of the data by the Drawing and Disbursing Officer.
- IV. Employees who have completed four years of continuous service on a regular post will be eligible to apply for loan.
- V. The Head of the Department and Drawing and Disbursing Officer will ensure that the amount of the instalment including interest and the number of instalments is fixed in such a manner that the entire dues i.e. principal and interest are cleared before the retirement of the employee by/ of the Government. In case of any outstanding amount, the same shall be recovered from the terminal benefits of the employees as per the existing policy of the Government of Haryana.
- VI. Head of Department and Drawing and Disbursing Officer will ensure that in case of premature retirement, dismissal, suspension and death etc. of the employee concerned, the amount is recovered from the terminal benefit of the employees and is remitted to the bank. In case of suspension of the employee, the instalment of Principal and Loan will continue to be deducted from his salary.

- VII. The loan would be made available to the employee concerned at the rate of interest as per the existing policy issued vide letter No. 34/2/94-WM(3), dated 08.11.2016 or the rate revised by the Government of Haryana from time to time. In case at any point of time the rate of interest offered by the banks to the general public is lowered than that of the rate fixed by the Government of Haryana, the bank will be bound to provide loan to the employees for all the above loans at the lower of the two rate of interest i.e. the Government of Haryana or bank's own MCLR with whom the agreement has been entered into.
- VIII. The employee will mortgage the house/hypothecate the vehicle/computer in favour of the bank. This clause will also be applicable to the existing employees for change of loan portfolio. In case the employee does not agree to the above, he/she will have to repay the balance loan (principal + interest) to the Government immediately. This option will be undertaken from the employee by the Head of Department and Drawing and Disbursing Officer (DDO) of the department concerned. This clause would be applicable only after approval/accent of President is received regarding outstanding loans as on 31.03.2016.
- IX. In case of employees on deputation with other Government organisation, the loan application will be recommended / sanctioned by the present employer where the employee is working.
- X. The employee will get the property/vehicle/equipment insured from any Insurance Company and the amount of insurance charges will be borne by the employee concerned. An undertaking to this effect will be given by the employee concerned to the Bank as quoted in Standard Operating Procedure.
- XI. After the full repayment of loan including interest by the employee to the bank, the bank will release the documents of the property mortgaged or any such documents to the employee within one month of full payment.
- XII. The certificate of the loan i.e. principal deduction and the interest charged will be provided on a yearly basis by the bank to the employee for income-tax purposes.
- XIII. In case of any mis-utilization of fund by the applicant, the responsibility will rest with the concerned officers/officials and Drawing and Disbursing Officer. Therefore the applications should be examined properly and the Drawing and Disbursing Officers should satisfy themselves about the genuineness of the applications for the sanctioned loan to the Government employees.
- XIV. In case of any grievance the same will be addressed by the Bank within one month. However if the same is not addressed by the Bank within one month then the employee shall approach the Government and the matter shall be referred to a Committee to be constituted by the Government consisting of the Bank authorities and the Government as specified in Standard Operating Procedure.
- XV. The computation of Instalment of Principal and Interest will be done as per Annexure- IV (Compendium of Instructions PFR Vol. I) and will be uploaded on Website by DDO/HOD

XVI. The Government of Haryana hereby irrevocably and unconditionally guarantees to the bank (Punjab National Bank) the full, prompt and complete repayment of the entire outstanding amounts under the Facility as and when they become due. Further on invocation of guarantee in any case or otherwise, the guarantee of Government of Haryana shall continued with respect to the facilities availed or to be availed by other borrowers.

This notification will be effective with immediate effect.

The notification should be brought to the notice of all the officers/officials working under your control. The notification alongwith Standard Operating Procedure is available on the website which can be downloaded from the site www.finhry.gov.in.


P. RAGHAVENDRA RAO

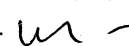
Additional Chief Secretary to Government Haryana
Finance Department.

Endst. No.2/2/2004-WM(3) Dated, Chandigarh the, 9th November,2016

A copy is forwarded to the following for information and necessary actions:-

- i) All Heads of the Departments.
- ii) Commissioners of Divisions, all Deputy Commissioners and Sub Divisional Officers (Civil) in Haryana.
- iii) Registrar General, Punjab and Haryana High Court.



Joint Secretary Finance

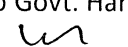
for Additional Chief Secretary to Government Haryana
Finance Department. 

Endst. No.2/2/2004-WM(3)

Dated, Chandigarh the, 9th November,2016.

1. The Principal Accountant General (A&E), Haryana, Chandigarh.
2. The Controller, Printing & Stationery, Haryana, is requested that this notification be got printed in the Haryana Government Gazette and 500 spare copies be supplied to Government for record.


Joint Secretary Finance

for Additional Chief Secretary to Govt. Haryana
Finance Department. 

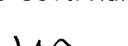
Endst. No.2/2/2004-WM(3)

Dated, Chandigarh the, 9th November,2016

A copy is forwarded to the following the information and necessary actions:-

1. The Additional Chief Secretary to Govt Haryana, Revenue & Disaster Management Department
2. All the Administrative Secretaries to Govt. Haryana.


Joint Secretary Finance

for Additional Chief Secretary to Govt. Haryana
Finance Department. 

Standard Operating Procedure for **Employee Loan Management System**

It is a web enabled workflow based application integrated with e-Billing and other components of Integrated Financial Management System (IFMS). The system will be implemented across all the government offices of Haryana. It will enable disbursement of Home Loan, Vehicle Loan, Personal Loan (Marriage Loan and Computer Loan) to employees of Haryana Government. It will be developed by NIC in association with officials/technical team of Punjab National Bank.

Role of Employee:

1. The employee will apply for grant for loan by filling in the relevant form prescribed by the Government of Haryana and will submit the same to the DDO along with relevant documents.
2. The Employee will visit the bank branch after call from the bank and will produce/submit all the required documents as per Annexure-III.
3. In case of transfer, employee will ensure that the details of the loan are mentioned in the Last Pay Certificate (LPC) and the employee will check from the DDO that the loan details are passed on to the new DDO so that there is no default in payment of loan on part of employee.

Role of DDO:

1. After receiving application from the employee, the concerned DDO will scrutinize the application along with all the relevant documents.
2. DDO after satisfying that the employee fulfills the eligibility criteria as per prevalent loan scheme as applicable to Haryana State Government Employee, as also the antecedents of the asset to be acquired, will put the necessary particulars on the web portal of the employee and approve the loan within 15 days positively as per Annexure-I. In case of any delay, the DDO will have to record the reasons in writing.

3. DDO will verify the data entered by maker on the web portal and will send to the bank online.
4. A letter will be issued and uploaded by the DDO/HOD confirming salary debit for the month by the 10th of the subsequent month in the format at annex 1 B.
5. DDO will also issue Eligibility Certificate in the proforma as per Annex 1A to the employee/borrower concerned for submission to the bank along with other documents at the time of disbursement of loan;
6. DDO will deduct the loan installment(s) from the salary of the employee each month and will remit it to the bank for credit to the loan account(s) of the employee simultaneously while releasing the salary of the employee.
7. It will be the responsibility of the DDO to ensure that the salary in respect of his/her office is disbursed latest by 7th of the each month and installment of loan is deducted from his/her salary without any fail;
8. In case of transfer of employee, DDO will make sure that the details of the loan are mentioned in the Last Pay Certificate (LPC) of the employee so that there is no default in repayment of loan on part of DDO.

Role of Bank:

1. On the basis of the information put up by the DDO on the web portal, bank will convey the sanction within 15 days from the date when the information was uploaded by the DDO;
2. The employee shall approach the bank branch from where the loan is to be disbursed and submit the documents as per Annexure –III;
3. The bank after disbursement of loan shall upload the information on the web portal as per Annexure-II;
4. The loan installment of the employee shall be deposited directly to the loan account of the employee simultaneously with the payment of salary.
5. The Bank will continue to disburse the loan up to 15th of each month. From 16th to the last date of the month, no fresh disbursement is to be made by the bank because salary of the employees of the Haryana Govt. starts getting prepared after 15th of every month and thus it will not be possible to reimbursement his/her

installment and/or interest for that month. However, in exceptional circumstances, in case the employee agrees to pay the interest from his own to the bank at bank's applicable MCLR for the period (i.e. from the date of disbursement after 15th of the month to the last date of month) before the end of that month, the requisite loan may be disbursed to him/her. In such cases, principal and interest Subvention may be claimed by the bank from succeeding month as per procedure.

6. In respect of loans disbursed up to 15th of each month, the loan installment is to be received by the bank latest by 7th of subsequent month. The Bank will provide information/details of the employees where EMI is not received to the Finance department on monthly basis latest by 15th of the subsequent month. In case no statement of any defaulting employee is received, it will be presumed that all due instalments of the month have been received however exceptions shall be taken care of,
7. The Finance department shall make the payment of such loan installments immediately, at first demand from bank, within 5 days latest by 20th of each month;
8. The Bank will also provide/submit the MIS for claim of interest subvention to the Finance department on monthly basis within a week of the close of the month i.e. by 7th of each month and Finance Department shall make the payment of such subvention amount immediately but not later than 20th of each month;
9. The bank shall make available the necessary record for verification/checking of subvention amount by the designated official of Finance Department;
10. The system of calculating the interest shall be as per prescribed system of Reserve Bank of India and effect of debit and credit to the account of employee shall be given from the date of actual debit/credit in the account;
11. The list of designated branches of PNB (authorized branches) in the state of Haryana to handle the above job will be provided by the bank.

Role of Finance Department & Treasury Department:

1. The entire system of switch over will be implemented under the supervision of Finance Department of the Government of Haryana
2. The system developed by NIC, Haryana under the guidance of Finance department will be implemented in all the departments.
3. Manpower & Hardware for software development and maintenance will be provisioned by Treasuries & Accounts department under IFMS project.
4. Finance department will receive the MIS in respect of loan installments not deducted by the DDOs on account of various reasons from the bank up to 15th of each month and shall pay such amount to the bank latest by 20th of each month;
5. Finance department will receive the MIS in respect of interest subvention from the bank up to 7th of each month and shall pay such amount to the bank latest by 20th of each month;
6. The payment of amount as per Para 4 & 5 shall be made immediately on first demand. However the department has the right to check the same but the payment to bank shall not be delayed for want of checking;
7. Finance department will prepare bill for making payment of loan installment and Interest subvention amount to the bank within 20 days of the subsequent month. In case, the payment of loan installment and Interest Subvention is not released within 20 days from the close of the month, the interest on delayed payment @ 2% per annum will be borne by the Government at MCLR only. However in no case the payment shall not be delayed beyond 60 days as otherwise account of the employee may slip into NPA;
8. Training of DDOs and treasury officials will be provided as and when required by Treasury Department.

NIC, Haryana

1. NIC will take technical ownership of the portal only.
2. Design, re-design, hosting and technical maintenance of software.
3. Provide training on the system to all Nodal officers of the government departments.

4. NIC will maintain the web and database servers on which the IFMS website is operational. This will include taking regular backups of the data.
5. NIC will ensure 24X7 uptime for the website.
6. The list alongwith the codes of DDOs in the State of Haryana to be provided to the Bank.

Stakeholders :

1. Finance (Ways & Means department) & Treasury department, Haryana
2. NIC, Haryana
3. HOD of various Departments
4. DDOs of various Departments
5. Employees of Departments
6. Punjab National Bank

System Flow:

1. The concerned DDO will process the Loan request of their employees and the maker of DDO will do data entry of loan of employees along with his personal details on e-Billing as per the Annexure-I.
2. DDO will verify the data through his checker password and the system will transmit the data to the concerned web portal of the bank through a web service.
3. Bank will view/download the details of eligible loans of the employees uploaded by DDO. Bank will contact the employees or employee will visit the branch along with original and copy of the self attested documents. Bank will sanction the loan as per the loan approval details sent by the concerned DDO.
4. Bank will update the details of the amount of loan sanctioned, Installment as per Govt. calculation (Principal and interest), Installment as per Bank's calculation (Principal and interest), Start date and end date of the loan, customer id, loan account of the employee and IFSC code by invoking a web service on the e-Billing portal.
5. The Bank shall disburse the loan after execution of loan documents and shall provide details as per Annexure II of each disbursement.

6. The details entered and uploaded by Bank can be viewed by the concerned department/DDO/Finance Department and the same will be tagged in salary bill calculation.
7. After the treasury officer approves the bill and pay order is presented in the treasury bank, the installment amount (principle+ interest as per government guidelines) will be credited in the loan account of the employee in PNB through NEFT/RTGS simultaneously with salary payment.
8. Once accounts are prepared by Treasury officer, the bank will be provided a list of deduction of installments of all employees by 25th of every month.
9. A reverse MIS of the details of the defaulting accounts will be transmitted by the bank on portal by 15th of the subsequent month in which disbursement has taken place;
10. Interest subvention amount will be reported by the bank to FD.
11. FD will verify the Interest subvention amount through e-Billing.
12. Payment of Interest subvention amount will be made to the bank by FD by preparing single consolidated bill along with detail of accounts to which such interest subvention belongs, through e-Billing with verified details/list latest by 20th of close of the month otherwise it will carry interest at MCLR rate.
13. The FD shall also prepare a list and ensure that the loan installment of defaulting employees is credited to each employee's account latest by 20th of close of the month.

Schedule of activities

Sr No	Activities	Ownership/ responsibility	Time line
1	Processing and uploading of loan request of employee as per his/her eligibility on the portal	DDO	15 days from the date of application
2.	Call/SMS to employee by the bank or employee may visit the branch	Bank	2 working days from the date of uploading of data on the portal by DDO.
3.	Sanction/disbursal of the loan by the bank and updation of details on ebilling portal.	Bank	15 days from the date of uploading of data on the portal by DDO.
4.	Deposit the original Invoice and copy of insurance in case of vehicle loan	Employee	15 days from the date of disbursement of loan
5.	Submission copy of JRC with hypothecation charge in case of vehicle loan	Employee	30 days from the date of disbursement of loan
6.	Submission of ownership documents of house such as Original Sale Deed along with old sale deed in case of home loan	Employee	15 days from the date of disbursement of loan
7.	Submission of architect's certificate in case of construction/extension/repair of house	Employee	15 days from the date of disbursement of loan
8.	Submission of Invoice and insurance in case of computer/laptop	Employee	15 days from the date of disbursement of loan.
9.	Payment of EMI	DDO	Along with release of salary of the employee every month latest by 7 th of subsequent month.
10.	Payment of Interest subvention	FD	By 20 th of the succeeding month
11.	Payment of loan installment of defaulting employees	FD	By 20 th of the succeeding month

Annex-1A

Government of Haryana

Eligibility Certificate

Department

Date:

Subject: Recommendation for Loan.

This eligibility certificate has been issued as per the terms and conditions of MoU date _____ between Government of Haryana and PNB for out loan scheme.

We recommend PNB to fund Mr. _____, EmP No. _____ working for _____ (department Name) for the purpose of Loan.

We confirm that Mr. _____ is eligible for a loan of Rs. _____ (in words) under our Scheme "Loans to Government Employees". Following are the details of his employment and eligibility –

- Grade of Employee
- Current Age:
- Retirement Age
- Eligible Loan Amount:
- Eligible Loan Term
- Category: General/SC/ST/OBC

(Authorised Signatory)

(Name)

(Designation)_____

Annex 1B

FORMAT OF LETTER TO BE ISSUED BY EMPLOYER CONFIRMING SALARY

DEBIT

To
Punjab National Bank.
(Address Name of the Branch)

**Sub: Facility of Rs. _____ granted/to be granted by PNB to
Mr./Mrs. _____, employee of Department of _____.**

1. Mr. _____, the Employee of (Name of the Department) has applied for a Facility of Rs. _____/- (the "Facility") from PNB having its office/branch at _____ PNB.
2. The Employee is required to repay the Facility along with interest thereon in _____ instalments **of Rs. _____ each.
3. In consideration of you granting/agreeing to grant the said Facility to the Employee, we hereby confirm and undertake to PNB as under:
 - a) We will deduct the Instalments as mentioned above, being payable by the Employee from time to time, every month from the monthly salary payable to the Employee and pay over such amounts to you until certified by the Bank and informed to the Department that the whole of the Facility together with all interest, payable by the Employee to PNB has been fully repaid;
 - b) On the retirement, resignation, death, or on termination from service for any reason, of the Employee and the amount remaining outstanding, we will directly pay PNB all monies from the terminal and other unclaimed benefits due to Employee, to the extent permitted under law, after all dues to ourselves have been cleared:
 - c) The deductions towards the Instalments and any other amounts specified by PNB from time to time shall be paid before the 7th day of every month. In the event of any delay in payment of any of such amounts to you, the Employee would be additionally liable to you in accordance with the terms and conditions governing the Facility borrowed by him/her from you.

X _____
_____ (Name of authorised signatory)

Designation: _____

Place: _____

Date: _____

Annexure-I

Customer Loan Information

(Information to be sent from DDO to Bank)

S.No	Name of Field	Possible values
1	DTO Code	01-22 (List to be shared)
2	STO Code	List to be shared
3	DDO Code	List to be shared
4	UCP Code	
5	Employee Title	Miss, Mister, Mr, Mr/Ms, Mrs., Shree, Shri
6	Employee Name	
7	Gender	M-Male, F-Female, T-Transgender, O-
8	Father's Name	
9	Date of Birth	DD-MM-YYYY format
10	Designation	
11	Date of Retirement	DD-MM-YYYY format
12	Caste	002-SC,003-ST,004-OBC,999-
13	Community Codes	Hindu-Hindus, MCCHR-Christians, MCJAIN-Jains, MCMUS- Muslims, MCNBU-Buddhists, MCOTH-Others, MCSIK-Sikhs, MCZOR-Zorastrians, OTHER-Other
14	PAN/GIR No	Pan no
15	Mobile no.	12 digit mobile no
16	AADHAAR No.	
17	Loan eligibility (Y/N)	
18	Loan Code	
19	Value of Asset	To be created or to be acquired
20	Loan Amount approved(Check by NIC as per Govt. Scheme)	
21	No. of installments	Loan Period (Mths/Days)
22	Interest Rate	
23	Address where property is purchased	
24	City/Village	
25	District	
26	State	
27	Postal Code	
28	Country	Default India
29	Communication Address	
30	City/Village	
31	District	
32	State	

S.No	Name of Field	Possible values
33	Postal Code	
34	Country	Default India
35	BankBranch details from where loan is to be taken	
36	District	List to be shared
37	Sub District/Block	List to be shared
38	Town/Village	List to be shared
39	Bank Branch Code	
40	Detail of account where payment to be made	Employee or Third party
41	Name of party	
42	Account no. of party or employee	
43	Bank Name	
44	Branch Name	
45	Branch IFSC code	
46	DDO email	
47	DDO mobile	
48	Employee email	
49	Bank Customer Id (existing customer)	
50	Place of Posting of employee/borrower	
51	Unique ID of the employee/borrower	
52	DDO's Designation	

Annexure-II

Information to be sent back by bank

S.No	Name of Field	Possible values
1	DTO Code	01-22 (List to be shared)
2	STO Code	List to be shared
3	DDO Code	List to be shared
4	UCP Code	
5	Date of disbursement	
6	Amount disbursed	
7	Principal Installment Amount	
8	Interest Installment Amount	
9	Bank Code	
10	Loan Account no. of employee	16 digit alphanumeric
11	IFSC code	
12	Date of sanction	
13	Amount sanctioned	
14	Installment to be deducted as per govt	
15	Installment to be deducted as per bank	
16	Bank Customer Id	
17	Start Date of EMI (with Intt. Subvention)	
18	End Date of EMI (with Intt. Subvention)	
19	Unique ID of the employee/borrower	
20	Reason/s for Rejection of loan, if any.	

Annexure III

Information to be provided by the employee/borrower at the time of disbursement

Sr. No.	Particulars
1	Photocopies of all KYC documents such as PAN Card, Aadhaar Card, Voter ID Card, Department's ID Card along with two self attested latest photos and also enter into loan agreement with the bank (execution/signing of loan documents etc. as per RBI/bank instructions). Employee will also submit Eligibility Certificate as per Annexure 1A issued by DDO.
2	The Amount of loan sanctioned shall be disbursed directly to the supplier of vehicle/seller of the property, and to the employee concerned or to the Seller of Computer/Laptop in case of Personal loan as per his/her requirement.
3	The employee shall deposit the original Invoice and copy of Insurance with BANK Clause within 15 days from the date of purchase and copy of JRC (Joint Registration Certificate) within 30 days from the date of purchase of Vehicle.
4	In case of Housing loan, the employee concerned shall get the house property insured at his/her own cost and will deposit a copy of the insurance with BANK clause to the bank immediately after completion of the house. The employee/borrower will also deposit title deeds of IP so created/built.
5	The employee concerned shall also submit an undertaking that he/she will get the vehicle/house property/computer/laptop so financed by the bank insured with BANK clause annually at his/her own cost and in case of any loss the concerned employee shall responsible and bank shall continue to deduct the EMI from the Salary
6	The employee will also deposit the Receipt from the Seller to the effect of receiving the payment
7	In case of construction of house, the employee will submit the Architect's Certificate in having utilised the amount of loan for the purpose.
8	In case of Personal loan and Repair/ loan for extension of house property, the employee shall also submit an undertaking to the effect that he/she has utilised the amount for the purpose for which loan was sanctioned and in case of false undertaking, the concerned employee shall be responsible for any departmental action as per service rules.
9	In case of Computer/Laptop loan, the employee shall submit Invoice within 15 days of purchase and submit an undertaking to keep the article purchased insured with BANK clause at his/her own cost.
10	The employee shall also submit an undertaking that the map of the house property being financed is duly approved by the competent authority.

Annexure-IV

Suppose an advance of Rs. 300/- was granted to Mr.'X'. The amount was drawn in January..... The amount was recovered in 20 instalments @ 15/- P.M. The first recovery was made from the salary bill of January..... paid in Feb..... The interest will be calculated as under:-

Month/Year	Rs.
January	300
February	285
March	270
April	255
May	240
June	225
July	210
August	195
September	180
October	165
November	150
December	135
January	120
February	105
March	90
April	75
May	60
June	45
July	30
August	15
September	-
Total	3150

Formula of Interest Calculation and Interest instalment

$$\text{A. } \frac{\text{Total} \times \text{Rate of Interest (as applicable)}}{100 \times 12} = \text{Total interest}$$

$$\text{How interest will be deducted} = \frac{\text{Total interest as in 'A' above}}{\text{Monthly instalment of principal}} = \text{Interest instalment}$$