



No.A.60011/81/2010-PP

Dated : 10th December, 2012

The Regional Executive Director,
Airports Authority of India,
Northern/Western/Eastern/Southern/NER
Delhi/Mumbai/Kolkata/Chennai/Guwahati.

The Executive Director,
RCDU/FIU
AAI, New Delhi.

The Airport Director,
Airports Authority of India
Kolkata/Chennai Airports.

The Director,
Indian Aviation Academy,
New Delhi.

The Principal,
CATC, Allahabad.

The General Manager,
CRSD/E&M Workshop,
AAI, New Delhi.

Corporate HRM Circular No.42/2012

Sub : Grant of House Building Advance (HBA)

The competent authority has decided to revisit the existing provisions of HBA and after due discussions/deliberations the following guidelines have been finalized for the specific purpose cited as under:

i) HBA for Construction Linked Plan

It has been decided to allow HBA for Construction Linked Plan subject to the following conditions:

- The property (house/flat) is purchased from a company or from an existing/proposed cooperative society, or from a registered private Builder/Promoter with the concerned development authority.
- Project should have sanctioned map from the competent authority.
- Purchase of property should be from a company or from a cooperative society or from any development authority/government agency having clear title on the land or have licence by the concerned Government agency for construction of house/flat.
- The employee may be sanctioned HBA subject to his entitlement or 85% of the actual cost (including amount of stamp duty) of the house/flat or Rs.30 lacs for executive(s)/Rs.20 lacs for non-executives, whichever is less.

- The employee shall have to contribute initial payments to the tune of 15% of the total cost of the flat under CLP before release of HBA. In case the overall cost of the property is more than the HBA entitlement from AAI, the employee shall pay his share first before release of instalment of HBA from AAI.
- 90% of sanctioned HBA will be released in instalments as per the demand made by the builder in writing in terms of payment plan (CLP) mentioned in allotment letter issued by or builder buyer agreement executed with the builder.
- 10% of sanctioned HBA shall be released at the time of execution and registration of sale deed of house/flat.

ii) Permission to sell house acquired through HBA for purchase of new house without any change in the HBA conditions.

Permissions may be granted to purchase new house during the currency of existing HBA subject to following conditions :

- The instalment and tenure of the existing HBA shall remain unchanged and this will be allowed only once in the entire service of the employee.
- The whole process i.e. sale of existing house/flat, purchase of new house/flat and submission of all necessary documents of new house/flat as per relevant guidelines/policy of AAI in this regard must be completed within three months from the date of permission granted by AAI.
- In case of default, the whole amount shall be recoverable in lump sum through salary and further disciplinary proceedings shall be initiated as per AAI (ECDA) Regulations.

iii) Refund of personal loan or other borrowings raised in order to purchase house through HBA

Only the cases where an employee has availed HBA as per HBA Regulations, 2003 in earlier ceiling of HBA, i.e. Rs.7.5 lacs and arranged the requisite fund for purchase of a flat from other sources after following due process prescribed, be processed as per the provisions/rules for the purpose of repayment of such amount.

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iv) Clarification on property acquired in city/urban agglomeration

- An applicant shall not be eligible for HBA, as the case may be, if the applicant or his or her wife or husband or minor son(s) individually or jointly owns a house in the town/city in which a house is proposed to be constructed or purchased by the applicant. However, it will not be applicable in case of joint ownership in the inherited property from ancestors.
- For this purpose, the term '**city**' is defined as a unit/division of a State having defined boundaries and local development Authority viz. Delhi Development Authority for Delhi etc. or other authority including Municipal Corporation responsible for the development of that unit/division, as divided and defined by a State Government in its territory.

v) Insurance on HBA

- The present practice shall be continued, i.e. lump-sum one time recovery on account of insurance coverage towards HBA shall be made @ 1% upto Rs.7.5 lacs, @ 2% above Rs.7.5 lacs to Rs.20 lacs and @ 3% above Rs.20 lacs to Rs.30 lacs.

vi) Payment towards stamp duty

- It shall be granted within the admissible amount of HBA.

vii) Time limit for grant of Second HBA

- An employee shall be eligible for grant of Second HBA after five years from the date of release/withdrawal of final instalment of first HBA.

viii) Conditions for Second HBA for renovation

- It will be allowed only once in the entire service of the employee.
- The maximum ceiling shall be the same for first as well as second HBA. Accordingly, the entitlement shall be one of the following whichever is less:

(a) 40% of the entitlement of employee at the time he applies;

OR

(b) 40% of the maximum ceiling i.e. 12 lakhs for executives & 8 lakhs for non-executives;

OR

W. S. Singh
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- (c) 40% of the unavailed HBA amount or the difference between the entitlement/maximum ceiling and the balance of existing HBA as the case may be;

OR

- (d) The cost estimates duly certified by a registered Architect.

- A valuation certificate of the house/flat issued by the Registered Valuer be submitted alongwith the application for sanction of Second HBA for undertaking renovation thereof. Where the employee has already mortgaged the house/flat to AAI, a mention thereof as also of the valuation be made in the sanction order. Where the employee has also taken a loan from housing financial institution, bank etc. in which AAI has first charge; AAI's interest will continue to be secured under the same arrangement.

2. Further, for the purpose of HBA policy/regulations, the terms '**Second HBA**', '**renovation**', '**enlargement**' are defined as under :

i) Second HBA

- Second HBA means grant of HBA second time for the purpose of-
- (a) Purchase of second house subject to sale of old/existing house acquired through first HBA; or
- (b) Enlargement of the existing house/flat purchased through HBA subject to approved plan/map of the concerned Government authority and other terms and conditions of grant of HBA; or
- (c) Renovation of house/flat purchased through HBA.

Provided that the amount of second HBA shall be subject to difference between entitlement of the employee/maximum ceiling and the balance of existing HBA, whichever is less, for the purposes of purchase of house/flat and enlargement of the existing house

ii) Renovation

- Renovation means and includes :
- (a) Roof grouting/roof water proofing treatment.
- (b) Plastering (internal and/or external)
- (c) Flooring.
- (d) Renovation and upgradation of kitchen and/or toilets.
- (e) Changing in/of doors/windows.
- (f) Renewal of sanitary sewage and water supply pipelines.
- (g) Upgradation of electrical conducting and wiring.
- (h) Painting and Polishing.

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iii) **Enlargement**

- Enlargement means the upgradation/alteration in the existing structure of the House/Flat resulting in at least 33% increase in the total carpet area of the existing flat and the said upgradation and alteration is as per the map/plan approved by the concerned Government authority.
3. This issues with the approval of the Competent Authority.


 (VILAS BHUJANG) 10/12
EXECUTIVE DIRECTOR (HR)

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