

Public Administration Circular No: 22/94

My No: III/0266/2/68(Gen)/L/HA-94
Ministry of Public Administration,
Independence Square,
Colombo 07.

16 June 1994.

All Secretaries and Heads of Departments.

**Loan for purchase of a land to construct a
house/purchase of a housing property/
construction of a house/completion of
a house - Chapter XXIV - Establishments Code**

Your attention is drawn to Public Administration Circulars No. 54/91 of 20.11.1991, 54/91 (i) of 14.01.1992, 6/92 of 31.01.1992, 32/92 of 11.11.1992 and 15/94 of 26.04.1994 and to Section 11 of Chapter XXIV of the Establishments Code.

02. The loans which were obtained according to Para 1 above, will be extended for settlement of loans obtained from a Commercial Bank or National Savings Bank for such a purpose subject to the provisions in Chapter XXIV of the Establishments Code and the above mentioned Circulars.

03. This concession will be provided only for the officers who have not obtained 5 year salary loan for such a purpose from the Government. Your attention is drawn to Para (c) of 11:16:3 of the Public Administration Circular No. 6/92. Any officer who has obtained this 5 years salary loan in one or two occasions granted by Public Administration Circular 15/94 or who has obtained 5 year loan under Public Administration Circulars 54/91 and 06/92 will not be granted this loan again, even though such loan has completely been settled.

04. This concession will be valid only for a loan obtained at the time of the issue of this Circular for such a purpose. It is essential for the borrower to have the sole ownership of the property which was furnished as security for obtaining the loan.

05. (a) This loan could be obtained to completely settle the bank loan which was taken for one of the above mentioned purposes, if the total amount payable to the bank is equal or less than 5 years salary of an officer.
- (b) If the total amount required for settlement of above mentioned loan obtained from the bank exceeds 5 years Salary of the officer, the difference between that amount and 5 years salary should be paid to the bank by the officer.
- (c) If a portion of the loan obtained from a bank for such a purpose has already been paid by an officer, only an amount equivalent to the balance outstanding, can be obtained from the Government.
06. When a Public Officer has obtained a loan from a bank for one of the above purposes on private sureties, this concession will not be granted to settle such a loan.
07. The provisions contained in the circulars mentioned in Para 1 above, and the Establishments Code regarding loans will also apply in providing this concession.
08. When applying for loans the officer has to perfect and submit to the Ministry/Department the form (Loans/d/01) attached to this Circular in addition to the form general 262, 262(a), 263, 264 and 265.
09. (a) Loan should be approved, after obtaining a declaration as given in attached Form (Bank/D/01) from the bank which the client has obtained the loan. After obtaining a receipt from the applicant, to the effect that he has received the loan, a cheque to pay the approved loan should be issued to the bank from which the applicant has obtained the loan to settle the loan.
- (b) Secretary of the Ministry/Head of the Department should see to get all the documents mentioned in Section 12 of Form (Bank/D/01).
10. This Circular is issued with concurrence of the General Treasury.

Sgd. Y.B. Pusedeniya
Secretary

Ministry of Public Administration.

**Declaration to be made by the officer in applying
a loan from the Government to settle loan obtained
from a Commercial Bank/National Savings Bank for
purchase of a land/ to construct a house/purchase of
a housing property/construction of a house/completion
of a house - Chapter XXIV - Establishments Code**

01. Name of the Officer:
02. The Ministry/Department:
03. Post (with class and grade):
04. Date of first appointment:
05. Date of birth and age at present:
06. Annual consolidated salary (without allowances):
07. If a loan has been obtained from a bank:
 - i. Name of the bank:
 - ii. Name of the borrower:
 - iii. The date on which loan obtained:
 - iv. The purpose for which the loan has been obtained:
 - v. The amount of loan approved:
 - vi. The date on which loan approved:
 - vii. The amount released at present:
 - viii. Due date on which the loan is to be settled:
 - ix. Annual rate of interest of the bank:
 - x. The total amount already paid to the bank:
08. Particulars of the land/property mortgaged to the bank to obtain the loan.
 - (a) Deed No:
 - (b) Registration number of the deed:
 - (c) Date of Registration:
 - (d) District office where the deed registered:
 - (e) Name of the Nortary/Attorney-at-law who attested the deed and the district.
09.
 - (a) Registration number of the mortgage bond:
 - (b) Date of registration:
 - (c) District office where the deed registered:
 - (d) Name of the Nortary/Attorney-at-law and the district:

10. If the loan has been obtained for construction of a house/completion of a house the estimated value:

11. The portion of work completed at present utilizing the loan already obtained:

(A report from a technical officer in terms of para 11:22 of P.A. Circular No: 06/92 should be attached)

I certify that above particulars furnished by me are true and correct.

Date:

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Borrowers Signature.

**Declaration to be made by the bank when settling
a loan where a public officer wants to settle a
loan obtain by him/her from a bank for purchase of**

01. (a) Name of the bank:
(b) Name of the branch:
(c) No. of the branch:
02. Full Name of the borrower:
03. Address:
(a) Private:
(b) Official:
04. The purpose for which the loan was granted:
05. (a) The amount approved:
(c) Date of approval:
06. The total amount already released to him:
07. Annual rate of interest:
08. The due date of settlement of the loan
Please indicate the year, month and the date:-
09. The total amount to be paid to the bank by the Borrower as at
19..... to be settled the loan completely (with interest).

(The date and the total amount mentioned in para (09) above may be indicated after discussing with the borrower and the relevant Head of Department, considering the period that may be taken to settle the bank loan after obtaining a loan from the Government. The total amount to be paid by the Borrower should be indicated in words and figures also).

01. The particulars of land/property mortgaged to the bank to obtain the loan.

- (a) Number of the Deed:
- (b) Registration number:
- (c) Date of Registration:
- (d) District:
- (e) Name of the Nortary/Attorney-at-Law who attested the Deed:

11. (a) Number of the mortgage Deed:
(b) Registration Number
(c) Date of Registration:
(d) District:

12. I ensure to send the following documents by registered post within 7 days of releasing the total amount of money mentioned in para (09) above by the Secretary to the Ministry of/Head of the Department of on behalf of the borrower to the said Secretary/Head of the Department.

- (a) Original Deed of the Land/Property mentioned in above para (10).
- (b) Original Deed of redeeming the mortgage bond of the Land/Property mentioned in above para (11) after properly redeeming it.
- (c) Originals of other relevant documents.

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Signature of the Bank Manager

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Name of the Bank Manager

Date: