



## NOTIFICATION

No.Estt:(Teach):- 162 of 2012. It is notified for the information of all concerned that the Vice Chancellor, Mehran University of Engineering & Technology, Jamshoro while exercising the emergency powers vested in him has been pleased to approve proposal of House purchase / construction Loan for the employees of the University with immediate effect as under: -

### THE SCHEME

This scheme is supposed to provide House Loan to the faculty members, officers & employees of the University to construct or purchase the houses for residential purpose provided that the existing MUECH Society and in case a new housing development scheme of MUET come up, the same may be given priority with regard to the grant of the loan.

### SOURCES OF FUNDS

The scheme is provided a suitable amount from recurring budget or self finance budget or any other source. It is on discretion of Vice Chancellor to decide about the funds allocation. The funds already proposed for earlier schemes may be merged.

### DISTRIBUTION OF FUNDS

At present there are about 1300 employees of the University working in different categories and scales. The following loans are approved every year for the following categories: -

S. #	Category	No. of Loans	Amount Per Loan	Amount of Loan
1	02-16	08	600,000/-	4,800,000/-
2	17-22	06	1,000,000/-	6,000,000/-
	<b>TOTAL</b>	<b>14</b>		<b>10,800,000/-</b>

### ELIGIBILITY CRITERIA

1. All confirmed employees who have served at least 10 years in University.
2. Aged below 56 years.

### INELIGIBILITY

1. Those employees against whom disciplinary action taken during last ten (10) years in service.
2. Employees who are on lien, deputation and study leave.
3. The Employees who leave the University for study, lien or otherwise will be required to clear their outstanding loan (if any) before being relieved from the University. However this condition will not apply to the employees who are studying in MUET.

4. Those Employees who already availed house building Loan Facility to construct the houses in MUECH Society.

## PERIOD OF LOAN

House Building Loan will be advanced maximum for 10 years or the period till retirement which ever is less, subject to 60% take home salary.

## EQUITY

### **01. For construction of Houses.**

Applicant has to start construction at his/her own up to plinth level of the house.

### **02. For Purchase of Houses.**

Applicant has to produce letter of intent and proof of payment of the token money to the seller.

### **03. For Booking of Houses in Housing Schemes.**

Applicant has to produce booking document, receipt of booking amount along with the allotment order.

### **04. For Expansion of Existing Houses.**

Applicant has to produce estimation of the expansion work and to start the work at his / her own for at least 10.00% of the estimated cost.

## DISBURSEMENT

### **01. For Construction of Houses.**

Loan will be disbursed in three installments of 40%, 40% & 20% at different levels of construction.

1<sup>st</sup> level; up to column and masonry work.

2<sup>nd</sup> level; up to roof structure.

3<sup>rd</sup> level; up to plaster, flooring etc.

### **02. For Purchase of Houses.**

Loan will be disbursed in two installments of 80% & 20% asunder;

01. On production of agreement with the seller, 80% of loan amount or of payable amount to the seller, which ever will be less, will be disbursed to the seller on behalf of the employee.

02. Remaining 20% of loan amount or of payable amount to the seller which ever will be less, will be paid to the employee after transfer of the title of the property in the name of the employee.

### **03. For Booking of Houses in Housing Schemes.**

Loan will be disbursed as per agreed scheduled with the builders subject to the verification of the work level at site. However 20% of loan amount or of payable amount to the seller which ever will be less, will be paid to the employee after transfer of the title of the property in the name of the employee.

### **04. For Expansion of Existing Houses.**

Loan will be disbursed in three installments at different levels of construction as to be ascertained by the scrutiny committee.

### **CHARGES**

House loan will be interest free; however following charges may be levied.

1. 1/50<sup>th</sup> of loan amount as contribution in House Building facility account.
2. 2% service charges payable with each installment.
3. Monthly insurance premium as advised by the State Life Insurance Corporation.

### **REPAYMENT**

Repayment of loan will be in monthly installments maximum of 100 installments or according to the remaining service which ever is less, to be deducted from the salary of the applicant; each year 10 months except two months of Eid-ul-Fita & Eid-ul-Azha.

Deduction of installments will start from next month after disbursement of first installment.

As per Syndicate approval in case of MUECH Society Loan Facility, this loan will also be insured with State Life Insurance Corporation. Therefore in case of death of the employee during loan period, remaining outstanding amount will be covered through insurance.

### **SECURITY**

The property on which Loan is applied will be registered mortgaged by creating lien and transfer entry in Deh/B form record with the Mukhtiarkar concern or as advised by the Legal Advisor from time to time, on the cost of the loanee.

Applicant has to shown following original documents of the house to the Registrar Office and a certified copy thereof will be retained for record at Registrar Office.

1. Registered title deed / lease deed / sale deed / gift deed.
2. Record of mutation / B-Form / Deh Form
3. Site plan / map of house.
4. Non encumbrance certificate (NEC)

## OTHER CONDITIONS

The owners / applicants are not allowed in any circumstances to: -

- Sale his/her house till loan is outstanding.
- In case of non utilization of loan installment a penalty of 13% p.a. will be charged on the outstanding amount and will be recovered from the applicant's salary on monthly basis. However, in critical cases Vice Chancellor is authorized to waive off the penalty.

## PROCEDURE

The step wise procedure of availing and advancing House loan to the MUET employees is given below: -

- a. All the eligible employees will apply on prescribed application form.
- b. Scrutinizing Committee consisting of the following members will scrutinize application forms each year.
  1. Pro-Vice Chancellor
  2. Registrar
  3. Director Finance.
  4. Resident Auditor
  5. Legal Advisor and Assistant Registrar Legal
  6. Senior Accounts Officer
- c. After scrutiny category wise selection of the applications will be held each year in the presence of the applicants & scrutiny committee as per number of marks obtained by the applicant on following criteria.
  - i. 05 marks will be allocated for every step of pay scale.
  - ii. 05 marks per year for each completed year in the University service.
- d. Successful applicants will be required to furnish relevant documents of the property within 90 days. In case of default the loan will be cancelled.
- e. Monitoring & evaluation committee consisting of the following members will be constituted.
  - Teacher nominated by the Syndicate
  - Officer Representative of Vice Chancellor
  - Civil / Architecture Expert nominated by Vice Chancellor
  - Resident Auditor
- f. Monitoring & evaluation committee will monitor and evaluate the documentation, construction and disbursement of the loan as below:-

### **01. For Construction of Houses.**

- a. The monitoring and evaluation committee will inspect the construction work of house upto plinth level and recommend for release of 1<sup>st</sup> installment of 40% of the approved loan.

- b. After release of 1<sup>st</sup> installment, applicant will utilize it and after utilization he/she will request for 2<sup>nd</sup> installment of 40% of loan, again monitoring & evaluation committee will inspect the site and recommend for release of 2<sup>nd</sup> installment.
- c. After release of 2<sup>nd</sup> installment applicant will utilize it and after utilization he/she will request for 3<sup>rd</sup> installment of 20% of loan, again monitoring & evaluation committee will inspect the site and recommend for release of 3<sup>rd</sup> and final installment.
- d. Finally monitoring & evaluation committee will inspect the site for the utilization of 3<sup>rd</sup> & final installment and report accordingly.

**02. For Purchase of Houses.**

- a. The monitoring and evaluation committee will vet the sale agreement in context of the security of the loan and accordingly recommend the payment of 80% amount in favour of the seller.
- b. After the transfer of title of property in the name of the employee, the monitoring and evaluation committee will recommend the payment of 20% amount in favour of the employee.

This is issued with the approval of the competent authority.

  
REGISTRAR

Copy forwarded with compliment to:

- 1. The all Deans of Faculties, MUET, Jamshoro.
- 2. The all Directors of the Instt./Chairmen of the Deptt./Sectional Heads, MUET, Jamshoro.
- 3. The Director Finance, MUET, Jamshoro.
- 4. The Resident Auditor, MUET, Jamshoro.
- 5. The Secretary to Vice Chancellor, MUET, Jamshoro.
- 6. The Secretary to Pro Vice Chancellor, MUET, Jamshoro.
- 7. Personal File.
- 8. Master File



## NOTIFICATION

No.Estt:(Teach:)-719 of 2013. It is notified for the information of all concerned employees of the University that Vice Chancellor, Mehran University of Engineering & Technology, Jamshoro has been pleased to **drop the condition of mortgage of the property on which House Building Loan is obtained** for construction of Houses in MUECH Society Jamshoro and to construct, purchase and expand the Houses in Hyderabad City & Jamshoro, by exercising the emergency powers vested in him.

In lieu of above dropped condition of mortgage of the property, the House Building Loanees are required to furnish/ provide following documents etc.

1. An affidavit on non judicial stamp paper dully signed, witnessed and attested by the gazetted officer to be obtained from the loanee, to ensure that loan will be utilized for the purpose it is obtained and incase of property is transferred / sold out during the loan period, the loanee will submit copy of document of the new house or deposit the outstanding loan amount with the University.
2. Two personal guarantees to be obtained provided. The criteria for personal guarantees is as under:-
  - a. For loan category one (BPS-17 and above); two guarantors of BPS-17 and above to be provided.
  - b. For loan category two (BPS-16 and below); two guarantees of BPS-02 and above to be provided.
  - c. Remaining service of the guarantor must be more than the period of loan / recovery of entire outstanding amount.
  - d. A regular of University will be eligible for guarantee of maximum two house building loans.
  - e. Personal guarantee to be furnished on non judicial stamp paper, duly signed, witnessed and attested by the gazzeted Officer.
3. The employees who have already availed the loan against mortgaged of their properties have also been accommodated for this facility, to replace the mortgaged of property on provision of two personals guaranties of MUET employees as per above criteria.

REGISTRAR  
[Signature]

