

## **Allotment of Subsidized Industrial Houses on Lease and Hire Purchase basis in Chandigarh Scheme, 1979**

*Published in Chandigarh Administration Gaz. Extra dated  
24th October, 1979 Pages 441-447*

No. 8/4/8 -HIII(4) 79/3 RA.-Whereas some houses were built for allotment to industrial workers under the "Integrated Subsidized Hosing Scheme for Industrial Workers and Economically Weaker Sections Community" on rental basis:

And whereas the Government of India, Ministry of Works and Housing vide their circular letter bearing No. 4024/17/77-HI dated 9th February, 1978 have permitted the State Government to sell the said houses on hire purchase basis to the industrial workers who are in occupation of these houses :

Now, therefore, with a view to provide the sense of belonging to the occupants of the aforesaid subsidized industrial houses, the Chief Commissioner, Chandigarh is pleased to formulate following scheme namely :-

**1. This scheme may be called the Allotment of Subsidized Industrial Houses on Lease and Hire Purchase basis in Chandigarh Scheme, 1979.**

**2. In this scheme, unless the context otherwise requires :-**

- (a) "agreement" means an agreement in form "C" appended to this scheme ;
- (b) "allotment" means allotment of a subsidized industrial house to an industrial worker on lease-hold and hire purchase basis under this scheme ;
- (c) "Industrial house" means a house as defined in clause (b) of Section 2 of the Punjab Industrial Housing Act, 1956 ;
- (d) "Industrial worker" means worker as defined under the Factories Act, 1948 ;

All other words and expressions used in this scheme shall have the meaning assigned to them under the Capital of Punjab (Development and Regulation) Act, 1952 and the rules framed thereunder.

**3. The Chandigarh Administration may demise subsidized Industrial houses under this scheme and the premium shall be determined by the Estate Officer in such manner as may be directed by the Chief Administrator from time to time.**

**4. The Estate Officer shall have the powers :-**

- (a) to make the allotment of industrial houses to the persons eligible under clause 5 of this scheme ;
- (b) to receive all payments of money under this scheme ;
- (c) to re-enter, re-take or resume possession of any industrial house whenever required or to order removal of persons in unauthorised occupation of industrial houses ;
- (d) to issue notices to the allottees/occupants of industrial houses for or in connection with the recovery of premium along with interest, ground rent, electricity charges or any other dues or for ejection, re-entry or re-taking possession of industrial houses for the breach of any other terms and conditions of allotment ; and

(e) to prescribe forms, registers, receipts and any other records considered necessary.

5. Only a person who has been allotted with an industrial house under the Punjab Industrial Housing Act, 1956 and the rules framed thereunder, shall be eligible for allotment on lease-hold and hire purchase basis of an industrial house under this scheme subject to the following conditions, namely : -

(a) The applicant must be residing in the industrial house ;

(b) The allotment of industrial house in favour of applicant under the Punjab Industrial House Act, 1956 and the rules framed thereunder has not been cancelled under the said Act and rules except on the ground that his wages had exceeded the income ceiling of Rs. 500 per mensem.]

(c) There are no arrears of rent in respect of the industrial house ;

(d) The applicant does not own, whether on free-hold, lease hold, or hire purchase basis a residential house [—] in Chandigarh or in any of the Urban Estates of Mohali or Panchkula, in his own name or in the name of his spouse or any of his dependent relations including unmarried children.

(e) (i) The sale shall either be an outright one : or (ii) by recovery of 30% of the premium in lump sum at the time of transfer and the balance cost will be recovered in 15 yearly instalments with interest at the rate of 5-1/2 per cent or as fixed by the Government of India from time to time ; or

(ii) if a purchaser cannot pay even 30 per cent of the premium, he may be permitted to make payment of whole premium in 15 yearly instalments with interest at the rate of 5-1/2 per cent or as fixed by the Government of India from time to time.

6. The application for allotment of an industrial house shall be made to the Estate Officer, Chandigarh in Form "A" appended to this Scheme and within such time as may be prescribed in this behalf.

7. The allotment letter will be issued by the Estate Officer in the prescribed form "B" appended to this scheme.

8. In case of any default in payment of any dues accrued on account of instalment of premium or lease money, the allotment shall be treated as cancelled.

9. The lease shall commence from the date of allotment and shall be for a period of 99 years. After the expiry of the said period of 99 years, the lease may be renewed for such further period and on such terms as the Government may decide.

10. In addition to the premium in respect of the industrial house, the lessee shall pay ground rent as under : -

(i) (a) At the rate of 2-1/2 per cent per annum of the premium for the first 33 years ;

(b) at the rate of 3-1/2 per cent per annum of the premium for the next 33 years ;

(c) at the rate of 5 per cent per annum of the premium for the remaining 33 years ;

(ii) Ground rent shall be payable annually on due date without any demand from the Estate Officer :

Provided that the Estate Officer may for good and sufficient reasons extend the time for payment of rent up to six months on the whole on further

1. Substituted vide Chandigarh Administration Gaz. (Extra) dated 12-08-1980 at page 279

2. Omitted by Chandigarh Administration Gaz. (Extra) dated 5-1-1980

payment of additional 7 per cent per annum penal interest on the amount remaining unpaid from the due date up to the date of actual payment.

- (iii) If ground rent is not paid by the extended date, the lessee shall be liable to pay the penalty not exceeding 100 per cent of the amount due which may be imposed and recovered in the manner laid down in section 8 of the Capital of Punjab (Development and Regulation) Act, 1952, as amended by Act No. 17 of 1973 :

Provided that no order under this sub-clause shall be made unless the lessee has been given a reasonable opportunity of being heard.

- (iv) The ground rent shall be uniformly distributed and charged from each of the allottees of respective floors in the cases of multi-storied buildings.

11. In case the allottee pays instalments referred to in clause 5 (e) the allottee shall become owner of the lease-hold industrial house. But until the whole of the premium has been paid to the Government, the building shall remain vested in the Government and the allottee shall be deemed to be only a tenant thereof.

12. In case the allottee shall desire to terminate the agreement to be executed by him in form "C" prior to the payment of all the instalments, he shall give one month's notice of his intention to the Estate Officer by registered post.

13. In case any instalment of premium under clause 5 (e) is not paid by the allottee by the tenth of the month in which it falls due, a notice shall be served on the allottee calling upon him to pay the instalment within fifteen days together with penalty which may extend to ten per cent of the instalment payable. If the payment is not made within the said period or such extended period as may be determined by the Estate Officer, but not exceeding three months in all, from the date on which the instalment was originally due, the Estate Officer shall cancel the lease and forfeit whole or part of the premium and the ground rent if any paid in respect thereof which in no case shall exceed 10 per cent of the total amount of the premium, interest and rent payable in respect of the industrial house :

Provided that no order cancelling the lease shall be passed unless the lessee has been given a reasonable opportunity of being heard.

14. A person who has been allotted an industrial house under this scheme shall not transfer by way of sale, gift, mortgage or otherwise his rights, title or interest in the lease for a period of ten years from the date of acquiring the ownership right i.e. after the successful completion of hire purchase period.

15. The industrial house shall be used exclusively for residential purpose and not for any other purpose.

16. The allottee shall not make any additions or alterations in the industrial house.

17. The allottee shall conform to the provisions of the Capital of Punjab (Development and Regulation) Act, 1952 and the rules framed thereunder from time to time.

18. For removal of doubts, it is hereby declared that the enjoyment of the industrial house allotted on lease-hold and hire-purchase basis under this scheme, shall be subject to the provisions of the Capital of Punjab (Development and Regulation) Act, 1952 and the rules framed thereunder from time to time.

19. If any difficulty arises in giving effect to the provisions of this scheme, the Chief Administrator may make such provisions or give such directions not inconsistent with the provisions of this scheme.

\*\*\*\*\*

**FORM "A"**  
**Application for hiring of a building (Industrial House)**

To  
The Estate Officer,  
Chandigarh Administration.

Sir,  
I, \_\_\_\_\_ son / daughter / wife of \_\_\_\_\_ request  
that I may be allotted on hire purchase basis the subsidized industrial house No.  
\_\_\_\_\_ Sector \_\_\_\_\_ which is under my occupation.

I am eligible for allotment of said house under the Allotment of Subsidized  
Industrial Houses on Lease and Hire purchase basis in Chandigarh Scheme, 1979.  
I do not own any residential house / site in Chandigarh or in any of the urban  
estates of Mohali or Panchkula in my own name or in the name of my spouse or  
any of my dependent relations including unmarried children. (Affidavit enclosed).

I will pay the rent/premium in prescribed instalments.

I have read and understood the terms and conditions on which the subsidized  
industrial house in question is to be given under the said scheme and I also agree  
to abide by all the conditions of the Scheme as also the rules made under the  
Capital of Punjab (Development and Regulation) Act, 1952, from time to time.

Date \_\_\_\_\_ Your faithfully,  
(Name of Block letters) \_\_\_\_\_  
Address \_\_\_\_\_

**FORM "B"**  
**UNION TERRITORY**  
**CHANDIGARH ADMINISTRATION**

No.  
To

Dated

*Subject* : Hiring of Subsidized Industrial House No. \_\_\_\_\_ on  
hire purchase basis under the Allotment of Subsidized Houses on Lease and  
Hire-purchase basis in Chandigarh Scheme, 1979.

Memorandum

Reference your application dated \_\_\_\_\_ on the above subject  
Subsidized Industrial House No. \_\_\_\_\_ in sector  
\_\_\_\_\_, Chandigarh, is hereby allotted to you under the allotment of  
Subsidized Industrial House on the lease and hire purchase basis in Chandigarh  
Scheme, 1979 on the following terms and conditions :-

- (1) The allotment of the house shall be governed by the provisions of the  
Capital of Punjab (Development and Regulation) Act, 1952 and the  
rules made there under.
- (2) You will pay annual instalment of Premium (in advance) by the 10th of  
January each year, in case you intended to pay the premium in 15  
yearly instalments.
- (3) You will have the option to pay the entire consideration (Premium) in  
lump sum. In case you pay the premium in instalments mentioned in  
clause 2 above, an interest at the rate of 5-1/2 per cent shall also be  
payable by you.

- (4) You shall also pay without demand the yearly ground rent in the manner laid down in the Chandigarh Lease Hold of Sites and Building Rules, 1973. The quantum of ground rent shall be such as may be determined by the Estate Officer.
- (5) The ground rent shall start accruing from the date of allotment.
- (6) You will pay all general and local taxes and cesses that may be imposed or levied on the said building by the competent authority from time to time.
- (7) You will not make any addition or alteration of any sort in any part of the premises, without the previous permission in writing of the Estate Officer.
- (8) In the event of non-payment of the instalment of premium or ground rent on the due date or breach or non-observance by you, of any of the conditions of allotment it shall be lawful for the undersigned, notwithstanding the waiver of any previous cause or right, for re-entry into and upon the said building or any part thereof and to repossess, retain and enjoy the same as of his former estate. You will not be entitled to compensation whatsoever on account of such resumption.
- (9) The building shall be used only for the purpose of residence and for no other purpose.
- (10) The undersigned may himself or through his officers and servants at all reasonable time and in a reasonable manner after 24 hours notice in writing, enter in and upon any part of the said building for the purpose of ascertaining that you have duly observed the conditions of allotment.
- (11) You will have to execute the Hire purchase Agreement in form "C" on Non-Judicial Stamp Paper of the proper value, within one month from the date of allotment.
- (12) The undersigned shall have full right, power and authority at all times to do himself or through his officers or servants all acts and things which may be necessary or expedient for the purpose of enforcing compliance with all or any of the terms, conditions and reservations, herein contained and to recover from you the cost of doing any such act or thing.
- (13) You will not transfer by way of sale, gift, mortgage or otherwise your rights title or interest in the lease for a period of ten years from the date of acquiring the ownership right.
- (14) You will abide by all the terms and conditions of the allotment of Subsidized Industrial Houses on Lease and Hire Purchase basis in Chandigarh Scheme, 1979 as also the provisions of the Capital of Punjab (Development and Regulation) Act, 1952 and the Rules made thereunder.
- (15) In the event of any dispute or differences at any time arising between the lessor or the lessee as to the true intent and meaning of these presents and of each and every provision thereof, the property and rights hereby reserved or any of them or in any manner incidental or relating thereto, the said dispute or differences shall be referred to the Chief Administrator Chandigarh, whose decision thereon shall be final and binding on the parties thereto.

Estate Officer,  
Chandigarh

## FORM "C"

## Hire Purchase Agreement

This agreement is made \_\_\_\_\_, date of \_\_\_\_\_  
between the President of India (hereinafter called the owner) of the one part and  
Shri \_\_\_\_\_, s/o \_\_\_\_\_, in the District  
of \_\_\_\_\_ (hereinafter called the hirer) of the other part :

Whereas the building described in the Schedule hereto annexed (hereinafter  
called the said building) and intended to be hereby given on hire owned by the  
owner in full proprietary rights ;

And whereas the owner has agreed to give the said building on hire ;

And whereas the hirer has agreed to hire the said building ;

Now, therefore, his deed witnesses as follows : -

(1) The owner hereby demises to the hirer the said building to be held the  
same by hirer, subject to exceptions, reservations, conditions and covenants here-  
inafter contained and each of them.

(2) The hirer shall be governed by the Provisions of the Capital of Punjab  
(Development and Regulation) Act, 1952, and the rules made thereunder from  
time to time and the allotment of Subsidized Industrial Houses on Lease and Hire  
Purchase basis in Chandigarh Scheme, 1979.

(3) The hirer has paid a sum of Rs. \_\_\_\_\_ as the first annual  
instalment of the hire in advance on the date of this agreement (the receipt whereof  
owner hereby acknowledges). The hirer shall hereinafter pay to the owner for  
use of the said building the total amount of rent/premium together with interest  
thereon at the rate of 5-1/2 per cent per annum, in 14 annual instalments on or  
before the 10th day January.

(4) In case the hirer pays to the owner punctually all instalments as afore-  
said, that is in all a sum of Rs. \_\_\_\_\_, it shall be the option of the  
hirer to become the owner of the said building. But until the actual payment of Rs.  
\_\_\_\_\_ is made the ownership of the said right to part with the Pos-  
session of the said building.

(4-A) The hirer shall pay without demand unto the owner, the yearly ground  
rent in the manner laid down in the Chandigarh Lease-hold of Sites and Buildings  
Rules, 1973.

(5) In case the hirer shall desire to terminate this agreement prior to the  
payment of all the instalments of hire as aforesaid, he shall give one month's  
notice of his intention to the Estate Officer by registered post. The hirer shall,  
however, be bound to pay all the instalments of rent due up to date.

(6) In case the hirer makes default in the payment of hire instalments as  
agreed or any other charges due from him or fails to comply with any of the  
conditions contained in this agreement the owner may, after giving fifteen days  
notice, terminate the hiring. In that event the owner shall be entitled to resume and  
take possession of the said building and the hirer shall give access to the owner for  
such purposes and the owner shall not be liable to the hirer for such action in any  
manner whatsoever. The owner in such an event shall also be entitled to recover  
from the hirer all the instalments of rent in arrears.

(7) So long as the actual payments of a total sum of Rs. \_\_\_\_\_  
as hire and the payment of Rs. \_\_\_\_\_ for option to purchase, is not  
made, the said building shall not be liable to attachment or sale by any process  
under any law for the time being in force, otherwise than under the Capital of  
Punjab (Development and Regulation) Act, 1952 and shall also remain the sole  
and absolute property of the owner and any transfer thereof or assignment of any

right, title or interest therein or the creation of any mortgage, encumbrance or any other charge thereon by the hirer shall be void as against the owner unless it has been made with the previous consent in writing of the owner.

(8) The hirer shall pay all general and local taxes and cesses which may be levied or imposed on the said building by the competent authority.

(9) The hirer shall not make any addition or alteration of any sort in any part of the said building without the previous permission in writing of the owner.

(10) The hirer shall at all times keep and maintain the said building in a proper state of repairs and cleanliness to the satisfaction of the owner or his officers and servants duly authorised by him in this behalf.

(11) The hirer shall not sublet the said building or any part thereof or transfer his rights under this agreement either directly or indirectly for a period of ten years.

(12) The said building shall be used only for the purpose of residence and for no other purpose.

(13) The owner may by his officers and servants at all reasonable times and in a reasonable manner after 24 hours notice in writing enter in and upon any part of the said building for the purpose of ascertaining that the hirer has duly observed the conditions of this agreement.

(14) On the termination of this agreement, the hirer shall deliver vacant possession of the said building in its original state that is without any damage to the said building or fixtures and the cost of the damages, if any, shall be recoverable from the hirer.

(15) The owner shall have full right, power and authority at all times to do through his officers and servants, all acts and things which may be necessary or expedient for the purpose of enforcing compliance with all or any of the terms, conditions and reservations herein contained and to recover from the hirer the cost of doing any such act or thing.

(16) All disputes and differences arising out of or in any way touching or concerning this agreement whatsoever shall be referred to the sole arbitration of the Chief Administrator, Chandigarh acting as such at the time of reference. It will be no objection to such appointment that the Arbitrator so appointed is a Government servant and that he had to deal with the matter to which this deed relates and that in the course of his duties as such Government servant he has expressed views on all or any of the matters in dispute or difference. The award of such arbitrator shall be final and binding on the parties to this agreement.

17. It is hereby agreed and declared that unless a different meaning shall appear from the context :-

(a) the expressions "Chief Administrator" and "Estate Officer" shall mean the officers so appointed by the Central Government under the provisions of the Capital of Punjab (Development and Regulation) Act, 1952;

(b) the expression "Owner" used in these presents shall include in addition to the President of India, the Central Government and in relation to any matter or anything contained in or arising out of these presents every person duly authorised to act or to represent the Central Government in respect of such matter or thing;

(c) the expression "hirer" used in these presents shall include in addition to the said \_\_\_\_\_ his lawful heirs (permitted) successors, representatives, assignees, transferees, lessees, and any person or persons in occupation of the said building with the permission of the Estate Officer.

Allotment of Subsidized Industrial Houses on Lease and  
Hire Purchase basis in Chandigarh Scheme, 1979

In witness whereof the parties have hereto respectively subscribed their names at the place and on the date hereinafter in each specification.

Signed by the said  
(Hirer)  
dated \_\_\_\_\_ on the  
day of \_\_\_\_\_ 19\_\_

In the presence of :-

Witnesses :

Name \_\_\_\_\_  
Residence \_\_\_\_\_  
Occupation \_\_\_\_\_

\_\_\_\_\_  
(Signature)

Name \_\_\_\_\_  
Residence \_\_\_\_\_  
Occupation \_\_\_\_\_

\_\_\_\_\_  
(Signature)

Signed by, for and on behalf of the President of India and setting under the authority  
of \_\_\_\_\_ of \_\_\_\_\_ 19 \_\_\_\_\_

\_\_\_\_\_  
(Estate Officer)

In the presence of :

Witnesses :

Name \_\_\_\_\_  
Residence \_\_\_\_\_  
Occupation \_\_\_\_\_

\_\_\_\_\_  
(Signature)

Name \_\_\_\_\_  
Residence \_\_\_\_\_  
Occupation \_\_\_\_\_

\_\_\_\_\_  
(Signature)

### SCHEDULE

Sector	Size of site in Marlas or description of building.	Number of site/building
--------	---	-------------------------