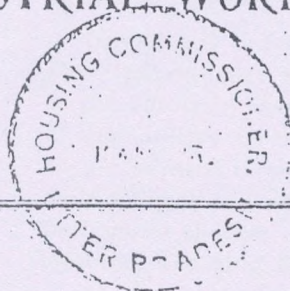


W. H. S. 34
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GOVERNMENT OF INDIA
SUBSIDISED HOUSING SCHEME
for
INDUSTRIAL WORKERS



GRANT of Loans and Subsidies towards
Housing Schemes undertaken by
State Governments, Employers
and Workers' Co-operatives.

Ministry of Works, Housing & Supply
July 1960

Price Re. 1.45 nP. or 2sh 3d.

(b) The pattern of financial assistance, as applicable to the three approved agencies, is as follows:—

Approved agency	Loan	Subsidy
(i) State Governments, Statutory Housing Boards, and Municipal Bodies.	50 per cent.	50 per cent.
(ii) Registered co-operative Societies of eligible workers.*	65 per cent.	25 per cent. /
(iii) Employers@	50 per cent.	25 per cent. /

*The balance of 10% which is the worker's own share of the cost, can be drawn by him as a non-refundable loan from his Provident Fund Account.

@The pattern of financial assistance in the case of factory establishments registered as Cooperative Societies will be on the basis of 65% loan and 25% subsidy.

NOTES.— (i) For the purpose of calculating the financial assistance, the above percentages will be applied to the prescribed overall ceiling cost, or the admitted cost, or the actual cost, whichever is the least. The cost of land and/or its development will ordinarily be excluded while arriving at the admitted and the actual costs, if the land was already acquired and/or developed when the application for assistance was made. The departmental charges will also be excluded in the case of State Governments, Statutory Housing Boards and Municipal Bodies.

(ii) No financial assistance will be admissible to a Cooperative Society or an employer in respect of a housing project, the construction work on which is started/completed without obtaining prior approval of the Government.

(c) The loans given by the Central Government under the Scheme are repayable by the State Governments in 30 annual equated instalments in respect of the projects undertaken by them, Statutory Housing Boards, Municipal Bodies and the Co-operative Societies and in 15 or 25 annual equated instalments, as may be specified in respect of the projects undertaken by the Employers. The loans to the State Governments will carry the usual rates of interest prescribed by the Government of India from time to time from the date of advance and the repayment will commence by the State Governments a year after the date on which the loan is advanced to them.

(d) The State Governments can in their discretion, advance under such terms as they think fit and in such manner as they consider best, the money so received from the Central Government to the Statutory Housing Boards, Municipal Bodies, Co-operative Societies and the Employers for

implementation of the projects undertaken by them. With a view, however, to encourage the Co-operative Societies and the Employers to take advantage of the Scheme, the State Governments may, if found expedient, waive altogether their administrative charges in the case of projects formulated by the Co-operative Societies and add not more than $\frac{1}{2}$ per cent. on the rate of interest obtained from the Central Government, in the case of projects formulated by the private employers.

11. Special provisions applicable to projects formulated by State Governments, Statutory Housing Boards and Municipal Bodies.

(1) *Mode of Payment.*—The State Governments may make such arrangements as considered necessary for effecting payments under the Scheme, to their respective Statutory Housing Boards and Municipal Bodies, keeping in view the progress of construction etc.

(2) *Ownership and Utilization of Plots/Houses.*—The ownership and management of plots/houses provided by State Governments, Statutory Housing Boards and Municipal Bodies under the Scheme will vest in the State Government or the Statutory Housing Board or the Municipal Body as the case may be. Subject to the State Government ensuring that the plots/houses are allotted to the eligible workers, it will be within their competence to formulate Rules for allotment and prescribe the form of Agreement/Mortgage deed etc. to be executed by the Allottee. These rules will *inter-alia* make provision for obtaining adequate safeguards against subletting and unauthorised transfer of the plots/houses and for the cancellation of allotment in certain contingencies generally in line with the Standard allotment rules for houses constructed by the employers (Appendix 'P'). Except to the extent provided in these Rules, the State Government will be liable to pay to the Central Government the difference between economic and subsidised rents in respect of houses which are temporarily allotted by them (with the prior approval of the Central Government) to persons, other than the eligible workers. In exceptional cases, where permanent diversion of plots/houses is proposed and is agreed to by the Central Government, the State Governments will have to refund forthwith in one lumpsum the entire Central assistance obtained viz. the amount of loan outstanding with interest thereon and amount of subsidy with interest at such rate as may be prescribed by the Central Government.

(3) *Allotment of houses to Social workers and administrative staff.*—The State Governments, Statutory Housing Boards and Municipal Bodies may, at their option, utilise up to two per cent. of the total number of houses built under the Scheme, for allotment to social workers and for use as office-cum-store and residence of managers-cum-rent-collectors and other maintenance staff, such as chowkidars, electricians, water and sanitary staff etc., whose presence on the premises is essential for the proper administration of the housing colonies built under the Scheme.

In respect of houses so utilised, the State Government may either permanently take these houses out of the Industrial Housing Pool by refunding to the Government of India the entire financial assistance together with interest thereon in the manner prescribed above or temporarily divert these houses by paying to the Government of India the difference between the economic and subsidised rents for the period of temporary diversion. The use of houses built under the Scheme is, however, not permissible for providing community facilities, such as schools, hospitals, welfare centres, shopping centres etc.

(4) *Allotment of houses to non-family workers.*—In cases where despite best efforts, the State Governments, Statutory Housing Boards and Municipal Bodies, are unable to allot small two-roomed houses built under the Scheme to the eligible industrial workers at the rate of one house per worker and these houses are lying vacant, resulting in loss of revenue, there is no objection to the allotment of a small two-roomed house to two non-family workers. It is, however, not desirable to allot a small two-roomed house to more than two persons so as to prevent overcrowding or disputes.

In the matter of allotment of subsidised houses to two non-family workers, preference should be given to a worker with longer service who may also be given the option to select another non-family eligible worker of his choice, as a co-tenant. The allotment will be made to each of the two non-family workers directly. Each such worker will pay half the prescribed standard rent of the house plus 50 nP per month. The extra rent of 50 nP is intended to compensate for the higher collection charges, bad debts etc. As far as possible, houses to non-family workers should be allotted in separate blocks and away from those occupied by family workers.

(5) Allotment of Houses to Eligible workers on Hire Purchase Basis:—

(a) The State Governments, Statutory Housing Boards and Municipal Bodies may at their discretion allot the houses built under the scheme to the eligible workers on a hire purchase basis, instead of on rent. Notwithstanding any default in payment of hire purchase instalments by the workers, the State Governments will continue to be responsible for the regular repayment of Central loan with interest thereon.

(b) The houses to be allotted under the hire-purchase system should as far as possible, be in compact units and well-defined areas. The houses which have been or which may remain allotted on rent for a period exceeding two years, shall continue to be allotted on rent and will not be changed over for allotment to workers on hire purchase basis.

(c) Allotment of houses by the State Governments, Statutory Housing Boards and Municipal Bodies to eligible workers on hire purchase basis shall be subject to the rules and conditions as contained in Appendix 'F'.