



**LIMINARY REPORT
THE STUDY GROUP
HOUSING**

PRELIMINARY REPORT OF THE STUDY GROUP ON HOUSING

Introduction:- The Study Group on Housing was constituted in January 1968 and the first meeting of the Study Group was held on 25th January 1968. The Study Group was expected to submit a preliminary report within two months and final report within 6 months from the date of constitution of the Study Group.

The group consisted of the following persons:-

- 1) Shri S.V.Desai, Chairman,
- 2) Shri S.M.Y. Sastry, Dy.Municipal Commissioner, Bombay Municipal Corporation, Bombay.
- 3) Shri V.K. Tembe, Member, Maharashtra Housing Board, Bombay.
- 4) Prof.S.D. Punekar, Tata Institute of Social Sciences, Bombay.
- 5) Shri S.V. Chakradeo, Under Secretary, Urban Dev., Public Health & Housing Department, Sachivalaya, Bombay.
- 6) Shri P.K. Kurne, Corporator, Bombay Municipal Corporation, Bombay.
- 7) Shri I.S. Gidwani, Works & Design Officer, Maharashtra Housing Board, Bombay.
- 8) Shri J.G. Keskar, Member-Secretary.

The terms of reference were as under:-

- a) to assess the current short-falls and project demands in various categories of housing;
- b) Housing cost ratios in metropolitan areas and other rural areas of the region.
- c) Investments necessary to meet the shortfalls and adequacy of the available financial resources for this purpose.
- d) Long term and short term solutions.
- e) Environmental conditions for housing areas-present and improvements necessary.
- f) Slums needing immediate improvement.
- g) Any other matters.

The first meeting of the Study group was held on 25th January, 1968. Subsequent meetings of the group were held on 6th February 1968; 16th Feb. 1968; 8th March 1968 and 22nd March 1968.

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2. Purpose of the Preliminary Report:-

We need hardly stress the importance of adequate housing in satisfactory environments for building up socially stable and peaceful communities. The problem of housing however is as complicated as it is important. It will take the group some more time to assemble and analyse all the necessary statistics and to mobilise the information and data required for a proper understanding of all aspects of the problem and to arrive at the final recommendations about the solutions. The present report is therefore only in the nature of an interim report to acquaint the Board with the work so far done by the group and the statistical and other information so far collected. The trends of thinking in the group about some aspects of the problem and to attract the attention of the Board to the gravity of the problem in its major aspects.

3.0. An assessment of the current shortfalls in housing in the Region.

3.01. In order to find out current shortfalls and projected demands in respect of housing, the whole region may be divided into three parts:-

- i) Greater Bombay;
- ii) 18 other urban centres in the region;
- & iii) the remaining Rural areas.

3.02. Greater Bombay:- The Housing Panel of the Study Group for Greater Bombay reporting in 1959, had stated the then existing number of tenements in Bombay City to be 4,08,097 and the number of tenements in the suburbs to be 1,65,576. The total number of tenements then existing in Greater Bombay was thus estimated to be 5,73,673. On the basis of an estimated population of 43 lakhs as at the time of the report the deficit in the number of tenements was calculated as being about 3 lakhs.

3.03. The report on the Development Plan of Greater Bombay prepared by the Municipal Corporation gives the following figures in respect of tenements existing and required as on 31-3-1961.

	Tenements required.	Tenements existing.	Deficit
City	5,53,800	4,38,491	1,15,309
Suburbs	2,07,200	1,93,013	14,187
Extended Suburbs.	68,800	67,644	1,156
Greater Bombay.	8,29,800	6,99,148	1,30,652

3.04. The apparently large difference in the figures of deficits as calculated by the Study Group and as estimated in the Development Plan Report is partly explained by the fact that the deficit in the Study Group Report was calculated on the basis of an estimate of population in 1959 which was obviously much more than the actual population at that time. The figures in respect of existing tenements as in the Study Group Report also do not tally with the numbers of tenements as quoted in the Development Plan Report. The figures in the report on the Development Plan of Greater Bombay however appear to be more correct and will be accepted as a base for further estimates.

3.05. The Gadgil Committee Report gives further figures in respect of availability of tenements as on 31-3-1964. These are presumably calculated with the figures in the Development Plan Report as the base and would therefore be comparable with the latter. According to this report the total number of tenements in Greater Bombay as on 31-3-1964 was 7,60,429 and this figure may also be considered to be reasonably accurate.

Figures in respect of tenements constructed in 1964-65 and 1965-66 are as under:-

Year.	Tenements constructed in private sector.		Tenements constructed in Public Sector Greater Bombay	Total
	City	Suburbs.		
1964-65	659	15,303	11,147	27,109
1965-66	1140	11,865	7,452	20,457
Total:-	1,799	27,168	18,599	47,566

Figures in respect of the number of tenements constructed in the private or Public sector after 1966 are not available. Taking the figure of 7,60,429 tenements as on 31-3-1964 as quoted in the Gadgil Committee's Report as correct and adding H/1449(A)(500-3-69)

the tenements constructed in 64 to 66 as above the number of tenements existing as on 31-3-1966 would be 8,07,995 (This does not take into account the tenements which collapsed or/Bombay were demolished in these two years). [The population of Greater/ in 1966 as per the projections in the Development Plan Report was 49,51,970. The Demographic Training Research Centre's projection for the 1966 population was 49,93,000. If this is assumed to be the true population of Greater Bombay in 1966, the requirement of tenements in 1966 at the rate of 5 persons per tenement would work out to 9,98,600 tenements. The deficit in the tenements as on 31-3-1966 would be 1,90,605. The comparative figures in respect of actual deficits in 61,64 and 66 would be as under:-

Year.	Population in lacs.	Percentage increase in population.	Deficit in the No. of tenements.	Percentage increase in the deficit.
1961	41.52	---	1,30,652	---
1964	46.51	12	1,69,855	30
1966	49.93	7	1,90,605	12

3.06. The deficit in the number of tenements, instead of reducing is continuously mounting. But what is further alarming is the fact that the deficit is mounting at a faster rate than the increase in population. The proportion of houseless persons is showing definite trends of increasing rather than reducing.

3.07. The Housing Panel of the Study Group on Greater Bombay had suggested a housing programme of 20,000 tenements per year in the public sector for the low income people and 5000 tenements per year in the private sector to wipe out the deficit of 3 lacs tenements in twelve years. This was intended only to cover the estimated backlog in 1959 and included no provision for the housing of the increased population in these twelve years. The suggested apportionment of 20,000 tenements in the public sector was as under:-

Housing Board	6000 tenements per year.
Co-operative societies..	2000 " " "
Municipal Corporation, State Government, Central Government, Railways etc.)	4000 " " "
Unspecified agency	8000 " " "

The report on the Development Plan of Greater Bombay had suggested an annual programme of 50,000 tenements per year in the current decade and 40,000 tenements per year in the next decade. The likely contribution of the respective agencies was estimated as under :-

Maharashtra Housing Board.	10,000 tenements per year
Co.op.societies	4,000 " "
Municipal Corporation ...	6,000 plus 2000 for Janata colonies.
Central & State Govts....	4,000 tenements per year.
Industries and commerce..	2,000
Private Sector	5,000 tenements per year.

Total :- 33,000 tenements per year.	

Figures in respect of actual performances are as follows:-

	56-57	57-58	58-59	59-60	60-61	61-62	62-63	63-64	64-65	65-66	Average per year
Mahara) -shtra) Housing) Board.)	4851	2984	3054	3807	8334	760	4534	2618	8528	2848	4233
Munici-) -pal) Corp.) (inclu) -ding) BEST))	1001	1542	552	918	1307	2308	3288	3978	590	2397	1788
Central) and) State) Govts.)	170	1792	1395	1160	1180	2184	2874	2371	1411	1911	1646
Statu-) -tory) bodies) & corpns)	184	--	269	196	144	171	307	42	718	290	232
Private) Sector) including) Co-op.) societies)	2226	3263	4091	5623	19046	6396	16896	10221	15962	13005	9673

*Estimated on the basis of 6 tenements per building. All other figures are actual figures.

3.08. It is seen from the above figures that the contribution of the various public sector agencies has not been upto expectation

while the contribution of the private sector, which according to the report on the Development Plan was considered to be 'net very reliable' has been fairly substantial.

3.09. The estimated demand for tenements in the years 1971, 1976, 1981, 1986 and 1991; the actual number of tenements that would be available in these years if construction at the same rates as in 61-65 is assumed, and the deficits in tenements at 5 year intervals as stated above would be as under:-

	1961	1966	1971	1976
Population	41,52,056	49,93,000	58,50,000	67,53,000
Existing tenements	6,99,148	8,07,995	9,05,336	10,02,677
Tenements required.	8,29,800	9,98,600	11,70,000	13,50,600
Tenement deficit.	1,30,652	1,90,605	2,64,664	3,47,923
Tenement deficit) after adding 5% } for structures } likely to demolished.) }	1,37,184	2,01,135	2,77,597	3,65,219

3.10. So far as break up of the requirements of tenements categori-wise is concerned, it will mainly be necessary to attempt an income-wise classification of the population and assume that there would be a direct relation between the incomes and sizes of required tenements. Variations in family sizes in the same income group may also cause demands in respect of different sized tenements in the same income range, but these variations will be of a negligible order and may be overlooked in making broad calculations.

3.11. From the information about the income classification in Greater Bombay available from the Income-Tax Department, it has been observed that not more than 12% of the total families have annual income of Rs.7,500 and above. Assuming that these families will be self financing in respect of housing, the remaining 88% will require some aid from the public sector either in the form of loan or subsidies or some other form. In Greater Bombay the total number of families paying income tax is estimated to be about 25% of the total families. The lower limit for the payment of income tax is Rs.4,000 per annum.

The economically weaker section entitled to a subsidy for housing, consists of families having an annual income of Rs.3,000 or less. Equating non-income tax payers as belonging to the EWS, it would appear that almost 75% of the total housing required would have to be of the sub-sidised type. The existing number of tenements in 1966 was 8,07,995 as stated before, while the tenements that would be required in 1976 has been calculated at 13,50,600. In the ten year period from 1966 to 1976 a total number of 5,42,605 tenements would thus be required to be constructed, out of which 75% i.e. 4,06,954 tenements would have to be for the economically weaker section of the community while the remaining 1,35,651 tenements may be for the families with incomes of Rs.4,000 per annum and above. 65,112 tenements out of the above 1,35,651 would be for families having income of Rs.7,500 and above and would be self financed. The break up of tenements required upto 1976 in Greater Bombay would thus be :

1. Tenements for the Economically Weaker Sec. (small tenements and subsidised)	4,06,954 say: 4,07,000
2. Tenements for the Low income Group, (medium sized tenements with loans)	70,539 say: 70,500
3. Tenements for the medium and the higher income groups.	65,112 say: 65,000

Part II :- Position in the other centres in the Region:-

3.12. The following towns are included in the area of the metropolitan region:

Sr.No.	Town.	1951 Population	1961 Population.
<u>MUNICIPAL TOWNS</u>			
1.	Ulhasnagar.	80,861	1,07,760
2.	Thana.	50,155	1,01,107
3.	Kalyan.	58,900	73,482
4.	Bhiwandi	25,764	47,630
5.	Ambernath	21,498	34,509
6.	Bassien	19,640	22,558
7.	Dombivali	8,106	18,407
8.	Panvel	14,861	18,130
9.	Uran	8,672	10,229
10.	Matheran	2,808	2,842

Sr.No.	Town.	1951 Population	1961 Population
<u>NON-MUNICIPAL TOWNS</u>			
11.	Virar.	7,233	9,413
12.	Kalwa	5,992	8,108
13.	Mohone	1,862	7,289
14.	Bhayandar	6,327	6,974
15.	Kate Manavali	1,758	5,803
16.	Sandor	4,801	5,640
17.	Neral	4,621	5,604
18.	Karjat.	3,744	5,143

3.13. The latest information available about the existing tenements in these towns is that from the 1961 census (except Dombivali where the Municipality has maintained statistics about the annual number of tenements upto date). The information is as under :-

Sr. No.	Urban Centres.	Houses required.	Occupied houses for residential purposes.	Deficit.
1.	Thana	20,221	19,729	-492
2.	Kalyan	14,639	15,029	+333
3.	Bhiwandi	9,526	8,374	-1152
4.	Bassein	4,519	4,159	-370
5.	Ambernath	6,902	7,808	+906
6.	Ulhasnagar	21,552	21,312	-230
7.	Panvel	3,626	3,505	-121
8.	Uran	2,046	2,049	+ 3
9.	Dombivali	3,682	3,834	+152
10.	Matheran	568	612	+ 44
11.	Neral	1,121	1,016	-105
12.	Karjat	1,029	1,037	+ 8
13.	Sandor	1,128	656	-472
14.	Mohone	1,458	1,645	+187
15.	Bhayandar	1,395	1,284	-111
16.	Virar	1,883	1,957	+ 74
17.	Kalwa	1,622	1,683	+ 61
18.	Katemanavali	1,161	1,238	+ 77

3.14. On a comparison of the census data in respect of number of tenements in Greater Bombay with the number of tenements available from Municipal registers, it is seen that there is a certain amount of over enumeration in the census. As defined in the census a house is a structure or part of a structure inhabited or vacant or a dwelling, a shop, a shop cum-dwelling or a place of business, workshop, school etc. with a separate entrance. In Greater Bombay, the number of tenements as in 1961 as per census was 7,67,750 while the number of tenements as in same year as per the development plan report was 6,99,148. The over enumeration in the census was thus of the order of 68,582 tenements i.e. about 9% of the tenements enumerated. If it is assumed that there was a similar over enumeration of tenements in other urban centres also the table of deficit in tenements/^{as} in 1961 would be as under:-

Town.	Tenements required.	Tenements available.	Deficit.	Deficit expressed as % of available tenements.
Thana	20,221	17,950	2,271	12.65
Kalyan	14,696	13,676	1,020	7.45
Bhiwandi	9,526	7,620	1,906	25.00
Bassien	4,519	3,785	734	19.70
Ambernath	6,902	7,105	-	-
Ulhasnagar	21,552	19,403	2,149	11.10
Panvel	3,626	3,189	437	13.70
Uran	2,046	1,865	181	10.00
Dombivali	3,682	3,482	194	5.60
Matheran	568	556	12	2.00
Neral	1,121	925	196	2.12
Karjat	1,029	943	86	9.10
Sandor	1,128	597	531	89.00
Mohone	1,458	1,496	-	-
Bhayandar	1,395	1,168	227	19.50
Virar	1,883	1,780	103	5.80
Kalwa	1,622	1,531	91	6.00
Katemanawali	1,161	1,127	34	3.00

Total:-	98,135	88,204	10,172	11.50

3.15. The deficit in the number of tenements expressed as a percentage of the number of available tenements was 15.6% in Greater Bombay. For all the urban centres combined except Greater Bombay this percentage was 11.5% in the region. The housing situation was worse than in Bombay in Bhiwandi, Bassien, Sandor and Bhayandar. Though at Sandor and Bhayandar the deficit is larger than in Bombay in terms of percentage, the absolute number is very small. The housing shortage at Bhiwandi is very well known to all who have even a cursory acquaintance with the development of the town. This shortage has aggravated to a very considerable extent after 1961 though there are no figures available in this respect. The housing shortage at Thana-Kalyan is also likely to have aggravated during the period from 1961 onwards.

3.16. Actual figures in respect of tenements existing the various years after 1961 are available only in respect of Dombivali are as under:-

	<u>Tenements existing</u>					
	61-62	62-63	63-64	64-65	65-66	66-67
Private Sector	2,830	2,935	3,022	3,091	3,160	3,753
Public Sector	38	38	38	38	38	38
Total:-	2,868	2,973	3,060	3,129	3,198	3,831

3.17. A comparison of these figures furnished by the Municipality and the figures deduced from the census records shows that the over enumeration of the tenements in the census was perhaps of a much larger order than has been allowed for in calculating the table on pre-page.

3.18. Another significant fact which is noticed is that the public sector was completely dormant at Dombivali between 61-62 to 65-66 and all the addition in tenements was in the private sector. The break up of tenements constructed in the private sector is as under:-

Year.	1 Room	2 Room	Blocks.	Total
61-62	6	63	15	84
62-63	18	63	24	105

Year.	1 Room	2 Room	Blocks.	Total
63-64	18	21	48	87
64-65	18	24	27	69
65-66	6	30	33	69
66-67	108	159	366	633

Total:-	186	450	534	1170

3.19. This shows that while the requirement of small tenements is much larger actual trends in construction were just the reverse. The result is that the gap between availability and requirements is widening at a faster rate at the level of small tenements for the poorer sections of the community.

3.20. The information about the number of tenements constructed annually at Kalyan and the break up of these tenements into 1 roomed, 2 roomed and blocks is as under:-

	56-57	57-58	58-59	59-60	60-61	61-62	62-63	63-64	64-65	65-66	Total
1R.	136	86	329	193	101	96	370	287	314	215	2127
2R.	82	39	36	44	8	6	32	61	103	145	556
Blocks.	25	16	31	21	10	18	28	34	43	81	307

Total:-	243	141	396	258	119	120	430	382	460	441	2990

Private Sector	2,990
Govt. Sector	Nil.
Municipality	Nil.
Total:-		2,990

The statistics in respect of Kalyan as above show a relatively higher figure of tenements in the 1 and 2 roomed tenement groups for the proper people than in respect of blocks of more than 2 rooms each.

3.21. Projected demands of tenements:- The projected demands at five year intervals are shown in the table below. The requirement of tenements is worked out as usual by assuming one tenement for 5 persons. The projected population of each of the towns is worked out on the assumption that the

ratio of growth for the towns will be same as estimated for the entire district by the Demographic training Research Centre. Actually the towns may grow at a faster rate than the whole district and the demands of tenements will therefore be larger than shown in the table.

Required number of tenements in Urban Centres
according to projections made.

	1966	1971	1976	Additional tenements necessary by 1976 (beyond 61)
1. Thana	23,300	26,700	30,400	12,400
2. Kalyan	17,100	19,600	23,600	9,924
3. Bhivandi	11,100	12,700	14,480	6,860
4. Bassein	5,260	6,020	6,860	3,075
5. Ambernath	8,020	9,200	10,480	3,375
6. Ulhasnagar	23,400	26,800	30,500	11,097
7. Panvel	4,050	4,500	5,040	1,851
8. Uran	2,290	2,250	2,850	985
9. Dombivali	4,280	4,950	5,560	2,072
10. Matheran	634	704	788	232
11. Neral	1,250	1,390	1,556	631
12. Karjat	1,152	1,280	1,432	489
13. Sandor	1,310	1,500	1,708	1,111
14. Mohone	1,692	1,940	2,210	714
15. Bhayandar	1,626	1,860	2,120	952
16. Virar	2,200	2,520	2,870	1,090
17. Kalva	1,890	2,167	2,464	933
18. Katemanavali	1,352	1,550	1,764	637
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			Total:-	58,428

The categorywise break up may be assumed to follow the same pattern in the urban centres in the region as in Greater Bombay.

PART III - RURAL AREAS

No figures in respect of Rural housing—either availability or deficit or demand have been worked out at present as the rural areas may not perhaps present much of a problem except

in areas where large scale industrial development has started and which may have to be covered by new town development.

Finance required for constructing the required number of tenements :- Assuming cost per tenement to be Rs.10,000 on an average the total money required for constructing 5,42,605 tenements in Greater Bombay and about 45,000 tenements in the other urban centres would be Rs.5,87,60,50,000 i.e. nearly Rs.600 crores. This is exclusive of the cost of land which mainly depend upon where the tenements are constructed. Taking the price of land at Rs.2000/- per tenement in Bombay and Rs.500/- per tenement in the other areas; the value of land required would be Rs.1,08,52,10,000 i.e. nearly 110 crores in Bombay and Rs. 2,25,00,000/nearly 2 crores in the other urban centres. The total investment required in the region would be of the order of Rs.712 crores in the next ten years.)

If some part of the increase in the Population of Greater Bombay would be diverted to other areas in the region in New Towns or in expansion of existing Towns where land values are comparatively lower than in Bombay, a considerable saving could be effected in total investment required for housing. Even if planning succeeds in diverting only 20% of the total number of tenements mentioned before to the mainland portion of the region the minimum saving in total investments could be of the order of nearly Rs. 16 crores on land alone. The actual total saving is even likely to be higher than this due to the lower costs of construction in the mofussil areas. This is a very significant point in the context of plan financing and indicates that a mere redistribution of the totality of resources, public and private, could make substantial money available for new town development.

4.0 Long term and short term solutions:- The foregoing statistics indicates the magnitude of the problem which has defied solution so far. The housing deficiency has probably been continuously increasing in all areas of the State. But the problem has assumed serious proportions in metropolitan areas, where lakhs and lakhs of people are without proper shelter. Several views were expressed in our meetings about

possible solutions to the housing problem, in Greater Bombay and in the region. As stated before, the Group has not arrived at its final conclusions we would therefore only indicate some possible solutions to the grave housing problem.

4.01. Aided Self help housing for the E.W.Section:- The housing deficits are staggeringly high. The total number of existing tenements as on 31-3-1966 was about 8 lakhs. This was the result of the housing building activity throughout the long past of Bombay. Average annual rate of construction of new tenements has not exceeded about 20,000 tenements per year during the last 10 years. While we are faced with a situation in which $5\frac{1}{2}$ lakhs of new tenements would be required in Greater Bombay upto 1976 if every family is to be provided with a shelter. The new tenements required upto 1976 are as much as 60% of the centuries of development. According to the break up shown on page 7 nearly 4 out of the $5\frac{1}{2}$ lakhs tenements required will have to be to the E.W.S. Even if the cost of construction of the tenement is assumed to be as low as Rs.4000/- per tenement the total investment required will be of the order of Rs.160 crores. If traditional types of structures are aimed at all these structures will have to be constructed by the public sector agencies and the provision for housing in the public sector for E.W.S. alone will have to be Rs.160 crores as stated. Actually not more than Rs.25/- crores are likely to be available in the Fourth Five Year Plan for all types of housing schemes in the State. The Third Five Year Plan acknowledged that "resources that could be spared for this purpose were small compared to the magnitude of the problem; the impact so far has been negligible and the problem of housing especially in urban areas is causing concern". The draft Fourth Five Year Plan has proposed a total investment of Rs.225 crores for all types of housing Schemes in public Sector in the nation as a whole.

4.01A. Housing is considered to be a non-productive activity and is apt to receive a low priority in the plans of developing countries. For quite some years to come enough money may not therefore be available in the public

sector for building permanent structures of the traditional type in adequate numbers while the members of the E.W.S. of the community will also certainly not be in a self-financing position in respect of housing. The inevitable result would be the formation of more and more slum colonies and Zopadpatties. Since the demand for houses will remain unsatisfied if all the available resources are invested only in traditional types of housing schemes, it will be necessary to think of a radical approach to the problem. It was felt that in the coming years the emphasis in public investment programmes for housing should shift from construction of pucca buildings to the provision of environmental hygiene for housing colonies where the cheapest type of houses should be allowed to be built in a well laid out manner by the poorer sections of the community on a self help basis as a transitional measure.

4.0B. Adequate land will have to be reserved for this purpose in the development plans of towns and cities by having a sub-zone in the residential zone for poor class housing. The power of zoning lands for residential purposes is explicit in the Town Planning Acts. But the social objectives of planning would not be fully achieved by this broad zoning for residential purposes. In newly developing areas it would be necessary to guard against all the best residential land being used for housing by higher income group leaving only the worst type of lands for poor class housing demand wherefor is usually late to develop. Further if left to itself, the system of land values develops in such a way that there is a sorting out of the society according to income groups and there are a series of one, class neighbourhood housing in segregated compartments with probably little opportunities of intermixing. From more than one point of view therefore a power for sub-zoning in the residential zone for poor class or working community housing seems to be necessary and desirable. The zoning of lands into broad categories, the fixing of differential F.S.Is, differentiations in densities etc. are all considered to be

reasonable restrictions on the use of land in the interest of the public at large. We are certain that an extension of the idea of residential zoning as stated above is also a perfectly reasonable restriction and is in public interest and should be permissible. If a sub-zoning as above is not contemplated and therefore not permissible under the present provisions of the Town Planning Act, we would recommend that the Act be amended for this purpose. The idea is that lands should be zoned for this purpose, casting an obligation on the developer to develop them only for this category of housing.

Some members of the group also felt that in the development plans of the New Towns and cities land should also be reserved for the inevitable squatters colonies which may come up in spite of all efforts of planners. Some provision for environmental hygiene would however be necessary for these colonies as otherwise that would continue to be the worst sores on the Town-scape and would make a mockery of planning. These planned squatters' colonies should also be considered as strictly transitional measures, and the plans should provide for their replacement as soon as possible. To this extent the plans will have to be made flexible.

4.02. Amendments to some other Acts:- Some other suggestions regarding amendments to various legislations ~~so~~ as to expedite housing in the Public Sector, Co-operative Sector and private Sector are as follows:-

(1) Land Acquisition Act:- The provisions of the said Act and the procedure there-under for acquisition of lands have not kept pace with the present development.

In particular the interpretation put on the words 'Public Purpose' by the Supreme Court excludes acquisition of land for Co-operative Societies. Hence 'Public Purpose' should be so defined so as to include acquisition of land for housing co-operatives and other semi-Government institutions.

The procedure of acquisition also should accelerate and necessary provisions made in the Act. The 'Urgency Clause' should also be resorted to in most of the cases of acquisition where the land is vacant. We feel that subject to all other safeguard about payment of compensation in a reasonable time

limit, payment of interest etc. it should be made possible to secure immediate possession of land whether vacant or built over whenever the lands are required urgently and we suggest that the Land Acquisition Act should be amended suitably for this purpose on the lines of the provisions of the Bombay Municipal Corporation Act in respect of Slum clearance schemes.

These suggested amendments would facilitate housing for co-operative societies of middle and upper income groups who have money for constructions but whose plans are thwarted for want of land.

(2) Condominium:- It has been the experience of the co-operative Housing Societies (on tenant-copartnership basis) that the L.I.C. does not afford them the facility of a loan under their "Own Your House Scheme" due to various legal and technical difficulties. Even in the case of tenant-ownership co-operative Housing societies, the L.I.C. is reluctant to advance loans unless very stringent conditions are accepted and no objection certificate is obtained from the Co-operative Society.

In view of the above, the scheme of Condominium should be introduced in India. Condominium essentially involves fee title ownership of a designated portion of a building and of an undivided interest in the common elements of that building.

Condominium combines the features of the single-house with those of the apartment unit. In addition to owning his unit in the same manner in which he would own his own house the condominium owner receives "most of the financial and legal benefits of the single home owner. He is able to mortgage his unit entirely independently of the other units in the building similar to those for similar dwellings. As in the single unit house, the condominium units are assessed and taxed separately by local real estate officials. As a result of this separate identity of units, the legal liability of the unit owners more closely resembles that of the single home owner.

State Government will have to undertake special legislation in this respect. Such legislation has been undertaken in France, U.S.A. etc. which will serve as a model and thus give a spurt to building capacity. This is also a measure

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which will promote housing in the middle & upper income groups.

(3) Tax holiday:- Central Government may be recommended to declare a tax holiday under the Indian Income Tax Act in respect of income realised from new building constructed in specified areas for three or five years after construction. Such a holiday had been given a few years back.

(4) Rent Act:- Exemption from the operation of Rent Act to the new buildings constructed after a certain date may also be considered as an incentive to the private sector in respect of new constructions undertaken in specified areas. Such an exemption has been granted in the Vidarbha area from 1-1-1951 and applies to new buildings constructed after that date. The rents would be determined by the laws of demand and supply, and this could be an incentive for more investments in housing.

(5) Allowance for Repairs:- Under the Indian Income Tax Act, while calculating income from property an allowance of 1/6th is given on the rateable value of the property irrespective of the fact whether repairs are carried out or not. The Indian Income Tax Act should be suitably amended so as to compel the landlords to set aside this repairs allowance as a "Repairs Fund" and utilised the same whenever occasion arises. Such a provision exists in the Indian Income Tax Act in respect of Development Allowance on new machinery. But the compulsion of Repairs Fund should be made applicable to landlords whose property income is say about Rs.20,000/- so as to exclude small property holders.

(6) Maharashtra Co-operative Societies Act, 1960:- This Act applies to all kinds of Societies. In view of the immense development of housing Co-operatives in Greater Bombay and other urban areas such as Poona, the State Government should be requested to undertake special legislation to regulate Co-operative Housing in Urban areas. It may be mentioned that most of the litigations in the co-operative forum in Greater Bombay is in respect of Co-operative flats.

Similarly, there are conflicting judgements in regard to the jurisdiction of the Small Causes Court under the Rent Act and the jurisdiction of the Registrar of Co-operative

Societies in respect of tenants, licensees, sub-tenants etc. All this conflict can be eliminated if special legislation is undertaken by Government.

(7) Maharashtra State Flat Owners' Act:- The Flat Owners' Act has not taken into consideration the provisions of the Maharashtra Co-operative Societies Act, 1960 and many complications arise of this situation. We would therefore suggest a separate legislation for co-operative Housing Societies and Flats and would recommend that the housing societies should be entirely taken out of the Co-operative Societies Act.

MISCELLANEOUS SUGGESTIONS

4.03. Finances for housing development are very inadequate and would continue to be so. We therefore strongly felt that all possible measures should be taken to stretch available resources as far as possible.

4.04. From the above point of view the group felt that the feasibility of outright sale of tenements constructed by the Housing Board or other agencies with subsidy and or loan from Government may be examined. This would not only release locked up capital but will also reduce expenditure on maintenance cost of these buildings by the public agency. This would however make a very small addition to the total resources. The group was unanimous that the loan built houses should be sold in this way to raise additional resources, the individuals being encouraged to raise necessary funds from their provident fund deposits or from their employers. As regards the houses built with subsidy and loan it was however felt that the selling of the house would amount to a capital subsidy to an individual without any subsequent control on the use or disposal of the house and may not be very desirable.

4.05. Another suggestion for augmenting funds for housing was to find out ways and means whereby the large amount of black money in circulation in the country could be attracted for the purposes of housing building in particular sectors.

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4.06. A ceiling on the number and size of large tenements which should be allowed to be constructed in Greater Bombay and the region was also considered by some of the members to be one of the measures to divert private resources from the building of luxury tenements to the building of smaller tenements for poorer sections in increasing numbers, as a social measure whether it would really divert resources is however a matter of considerable doubt.

It would also at the same time have to be seen whether total available resources for public housing can be stretched by modifying the standards of minimum accommodation as a transitional measure.

4.07. Measures to evolve cheaper modes of construction without sacrificing the structural soundness of materials have been suggested by several persons before us and the necessity therefor is self evident. The group would also therefore wholeheartedly repeat this suggestion, with the cautionary hint that any experimentation should be on a small scale to start with.

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