



Abstract

Housing and Urban Development Department – TNHB – Purchase of ready built house / flat from Tamil Nadu Housing Board by the Employees of Central Government, Board, Corporation and Local Bodies – Payment of interest at prevailing rate on 1/3rd or 1/4th cost of the flat / house and interest on monthly instalments – Orders – Issued.

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Housing and Urban Development (HB4(2)) Department

G.O.(Ms).No.113

Dated 21.05.2012

Read:

1. G.O.(Ms).No.174, Housing and Urban Development Department, dated 7.2.1991.
2. G.O.(Ms).No.1574, Housing and Urban Development Department, dated 24.12.1991.
3. G.O.(Ms).No.466, Housing and Urban Development Department, dated 25.4.1995.
4. Tamil Nadu Housing Board resolution No.9.04, dated 28.8.2003.

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ORDER:-

In the G.O. first read above following orders were issued.

- (i) The Chairman and Managing Director, Tamil Nadu Housing Board is requested to collect interest from the Government Servant allottees at the prevailing rate on 1/3rd or 1/4th cost of the flat / house, as the case may be, and interest on the monthly instalments alone, from the date of ready for occupation, till the date of sanction of House Building Advance.
- (ii) This procedure should be adopted in respect of all allotments made on or after 1st January 1985, as stipulated in G.O.Ms.No.1666, Housing and Urban Development dated 16.12.1988.
- (iii) The interest should be calculated as stipulated in items (i) and (ii) above and the excess amount so far paid by the allottee, if any, should be adjusted towards future interest to be paid by the allottee, till sanction of House Building Advance or towards the balance cost of the flat / house. The excess amount paid by the allottee should be refunded if the entire cost of the flat / house has been paid in full, as the case may be.

2. In the G.O. second read above orders were issued providing reservation of 18.5% under Tamil Nadu Housing Board Quota to State Government Servants including Employees of Tamil Nadu Housing Board. Hence benefits / Concession granted in the G.O. first read above were extended to the Employees of Tamil Nadu Housing Board till the issue of G.O. third read above in which the benefit is restricted to the Government Servants alone.

3. The MIG House No.B105 Mannargudi SMT Scheme Phase-II was allotted on 30.4.1997 to Thiru K. Arunagiri, Technical Assistant, Tamil Nadu Housing Board and he has requested the Tamil Nadu Housing Board to calculate interest as ordered in the G.O. first read above. However Tamil Nadu Housing Board has rejected his request as the order is applicable only to Government Servants and not for the Corporation / Board Employees. Aggrieved by the above, Thiru Arunagiri and 3 others have filed W.P. No.3361/2003, W.P.No.6421/2003, W.P.No.7224/2003 and W.P.No.7291/2003 and the Hon'ble High Court in its order dated 15.9.2004 and 15.4.2005 in the above W.Ps. has directed that the delay was only due to the Housing Board in belatedly sanctioning the House Building Advance, the petitioner is not liable to pay interest for the period from 5.6.1997 to 22.2.2001. Against the order, Tamil Nadu Housing Board has filed a W.A.Nos.1771/05, 1848/05, 342/06 and 564/06. The Hon'ble High Court in its common judgement dated 24.1.2008 has disposed the above appeals and directed Government to restore the concession granted in G.O.Ms.No.174, Housing and Urban Development Department, dated 7.2.1991. The Tamil Nadu Housing Board has filed SLP No.20327 to 20330/2011 against the above order of the Hon'ble High Court Madras. The Hon'ble Supreme Court of India in their order dated 6.1.2012 dismissed the above SLPs on the ground of delay.

4. The Advocates on behalf the petitioners have requested the Government to pass orders in the matter in accordance with orders of the Hon'ble Courts, otherwise, contempt proceeding will be initiated against the respondents. Accordingly Government after consideration issue the following orders:-

- i) The Managing Director, Tamil Nadu Housing Board is requested to collect interest from the allottees of all the Employees of Central Government, Board, Corporation and Local Bodies at the prevailing rate for 1/3rd or 1/4th cost of the flat / house as the case may be and interest on the monthly instalments above, from the date of ready for occupation till the date of sanction of House Building Advance.
- ii) The procedure should be adopted in respect of all allotments made on or after 1st January 1985, as stipulated in G.O.(Ms).No.1666, Housing and Urban Development Department, dated 16.12.1988.
- iii) The interest should be calculated as stipulated in items (i) and (ii) above and the excess amount so far paid by the allottee, if any should be adjusted towards future interest to be paid by the allottee till the sanction

of House Building Advance or towards the balance cost of the flat / house. The excess amount paid by the allottee should be refunded if the entire cost of the flat / house has been paid in full, as the case may be.

5. This order issues with the concurrence of Finance Department vide its U.O. No.14646/Finance (BPE)/2012, dated 16.3.2012.

(BY ORDER OF THE GOVERNOR)

K. PHANINDRA REDDY,
SECRETARY TO GOVERNMENT.

To
The Managing Director,
Tamil Nadu Housing Board,
Chennai-35.

Copy to:-

All Executive Engineers and Administrative Officers of
Tamil Nadu Housing Board.

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SF/SC.

/ FORWARDED // BY ORDER /

SECTION OFFICER