Government of West Bengal
Department of Municipal Affairs
Writers' Buildings
Kolkata – 700 001

No. 598/MA/C-10/3S-15/2007   Dated, Kolkata, the 28th day of May, 2008.

MEMORANDUM

Subject: **Cost of houses sanctioned under IHSDP**

The cost of housing units for slum dwellers taken up under IHSDP has been approved @ Rs. 80,000/- per unit. 80% of the cost of houses is provided by the Government of India and remaining 20% is borne by the beneficiary. Various Urban Local Bodies where schemes were sanctioned have already taken up construction of a number of houses and have also completed some of the houses.

It has been represented by the Urban Local Bodies that due to sharp increase in cost of materials it is not becoming possible to construct the houses within the approved cost of Rs. 80,000/-. Moreover, in several projects sanctioned during 2007-2008, the unit cost has been approved by Government of India as Rs. 1.00 lakh due to revision in the PWD schedule. However, Government of India have restricted their contribution to Rs. 64,000/- only i.e. 80% of the unit cost of Rs. 80,000/-.

The matter was taken up with the Finance Department and it has since been decided that the cost of dwelling units under IHSDP can now be allowed at Rs. 1.00 lakh in place of Rs. 80,000/-. However, this will apply only to such dwelling units where work orders have not been issued. The additional involvement of funds i.e. Rs. 20,000/- per house shall be borne by the State Government.

The Urban Local Bodies may now take further action accordingly for construction of houses sanctioned under IHSDP.

This issues with the concurrence of the Finance Department vide their U.O. No.47 dated 23.05.2008 (Gr. 'R').

Joint Secretary

No. 598/1(2)/MA/C-10/3S-15/2007   Dated, Kolkata, the 28th day of May, 2008.
Copy forwarded for information and necessary action to: -

1. Director, SUDA;
2. Chief Engineer, MED;

    - They are requested to convey the above decision to all Urban Local Bodies where schemes have been approved under IHSDP.

Joint Secretary