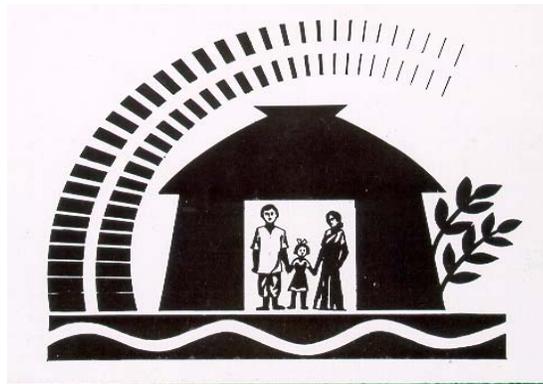


Working Group on Rural Housing

for the

11th Five Year Plan



Government of India
Ministry of Rural Development
Krishi Bhawan, New Delhi

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Chapter – 1

Working Group on Rural Housing for formulation of 11th Plan

1.1 Constitution of the Working Group

The Planning Commission set up a Working Group on Rural Housing, for formulation of the Eleventh Five Year Plan, vide their Order dated 31.8.2006, a copy of which is enclosed at *Annexure-I*. The Chairperson of the Working Group is Secretary, Ministry of Rural Development and the Member Secretary is Joint Secretary, Ministry of Rural Development. The terms of reference are as follows:

1. To look into the aspect of 'Right to Shelter', as it exists in the Constitution, the obligations and entitlements of the citizens of India, with special emphasis on rural India.
2. Assessment of the existing rural housing schemes both at the Central and State levels.
3. To look into the issues of diversity, cost norms specially related to vulnerable areas (like the earthquake prone areas) and community specific issues related to rural housing.
4. Visualising and presenting a viable role for Government agencies in terms of facilitating the convergence of land, finance, technology and delivery systems so that access to shelter for the rural poor is simplified.
5. To facilitate the use of cost effective, environment friendly and energy saving technologies in the construction of dwelling units in rural areas.
6. Achieving a synthesis between R&D institutions, financial institutions and implementing agencies in the planning and development of rural housing.
7. To outline a National strategy / Road Map for handling the problem of rural shelterlessness and suggest administrative legal, fiscal and any other operational changes

required so that the problem of rural shelterlessness can be overcome by the end of the Eleventh Five Year Plan Period.

1.2 Meeting of the Working Group

The Working Group met on 28.11.2006 in the Committee Room (Unnati), Krishi Bhawan, New Delhi. A background paper was also circulated among the members of the Working Group before the meeting. In her inaugural address, Secretary (RD) emphasised the need to assess the shortage of rural housing, finalize the unit cost of assistance for an IAY house, list various options for financing of rural housing and address other concerns, including those relating to technology. The Working Group decided that rural housing shortage be assessed on lines adopted by 'Working Group on Urban Housing' for estimating the urban housing shortage. Chairman, NHB was requested to give suggestions on financing of rural housing while inputs on technology concerns and the unit cost to be adopted for an IAY house were sought from BMPTC. Thereafter the draft Report of the Working Group was prepared. The Working Group met again on 12-2-2007 and made suggestions for minor modifications which were incorporated.

Chapter – 2

Assessment of Rural Housing Shortage

2.1 Different Methods of Assessment

To understand the magnitude of the challenge posed by the shortage of rural housing and to formulate appropriate interventions, it is important to estimate the extent of the shortage as accurately as possible. Shortage of rural housing has been assessed by different agencies and departments - the Registrar General of India (RGI), Housing and Urban Development Corporation (HUDCO) and the National Housing Bank (NHB). An examination of their methodology will provide inputs regarding the factors that need to be taken into account to properly estimate housing shortage in rural areas.

2.2. Classification of Houses

While classifying different types of houses, Census 2001 has used the following definitions:

Permanent houses: Houses, the walls and roof of which are made of permanent material.

Semi-permanent houses: Houses in which either the walls or the roof is made of permanent material.

Temporary houses: Houses in which both the walls and roof are made of materials that needs to be replaced frequently.

Serviceable temporary houses: Temporary houses, in which the walls are made of mud, unburnt bricks or wood.

Non-serviceable temporary houses: Temporary houses in which the walls are made of grass, thatch, bamboo, plastic etc.

2.3 Assessment by the Registrar General of India (RGI)

2.3.1 On the request of the Ministry of Rural Development, the RGI had assessed the rural housing shortage at 148.33 lakh houses in 2005. State-wise data is at *Annexure-II*. This data was used for making State-wise fund allocations under the Indira Awas Yojana in 2005-06.

2.3.2 The methodology used by the RGI is given below:

1. The number of rural households, the number of occupied rural houses, the number of non-serviceable temporary houses and the number of rural houseless were taken from the 2001 census.

2. The shortage of rural housing was calculated by adding together the excess of rural households over the number of occupied rural houses, the number of non-serviceable temporary houses, and the number of rural houseless.

2.4 Assessment by HUDCO

HUDCO has assessed the shortage of rural housing in its publication “Trend and Gaps in Housing and Basic Amenities, India 2001”. This assessment also starts with the excess of rural households over rural houses and non-serviceable kutcha houses based on census 2001 data. In addition, obsolescence and congestion factors have also been estimated. The table below summarizes the calculation of housing shortage made by HUDCO.

(figures in lakhs)

#	Components of housing shortage	Housing shortage as on 1.4.2001
1	Excess of households over houses	32.2 @
2	Unserviceable kutcha houses	115 @
3	Obsolescence	43 *
4	Congestion	50 #
	Total housing shortage	240

@ figures at 1 & 2 above have been taken from census 2001

* the obsolescence factor as per the 49th round of National Sample Survey (NSS) results is 4.14% of acceptable housing stock

congestion has been calculated as 4.86% of the acceptable housing stock – pucca and semi pucca as used by the Tenth Plan Working Group on Urban Housing

2.5 Assessment by the National Housing Bank (NHB)

2.5.1 NHB, in its Mid-term Business Plan, has estimated the rural housing shortage for the period 2002-2007 and 2007-2012 based on the decennial growth rate of population, households and housing stock drawn from census data between 1991-2001. Regression growth rates have been applied (as adopted by the working group on housing set up by the Planning Commission for the Eighth Plan and working groups set up by the Ministry of

Urban Development for urban housing for the Ninth and Tenth Plans) using the following semi log functional form

$$\log Y = a + rT$$

where 'Y' is the variable under consideration, 'a' is the constant, 'r' is the regression coefficient and 'T' is the time variable.

2.5.2 The figures estimated by NHB are given in the following table:

(figures in lakhs)

#	Components of housing shortage	housing shortage	
		2002-2007	2007-2012
1	Excess of households over houses	31.7	40.0
2	Replacement of non-serviceable kutcha houses	116.7	60.0
3	Obsolescence	15	15
4	Congestion	15	15
5	Upgradation of existing kutcha / pucca houses	198.9	200.0
6	Additional housing requirements	200.0	220.0
	Total housing shortage	577.0	550.0

Note: Data on households and residential housing stock including serviceable kutcha houses needing repair, upgradation and non-serviceable kutcha houses needing replacement taken from census 2001 data.

2.5.3 The estimate of congestion is based upon the difference between the average household size at the national & rural levels multiplied by the number of rural households, i.e., (1.38 million x 0.11). Estimates of obsolescence assume the average longevity of a house as 40 years. As there were 65.2 million dwelling units in rural areas in 1961, obsolescence has been computed at 15 lakh units.

2.5.4 Apart from the factors taken into account by RGI and HUDCO, NHB has also taken into account serviceable kutcha (temporary) houses for arriving at the shortage of rural housing.

2.5.5 Another factor that has been taken into account by NHB for assessing shortage of housing over a period of time is additional requirement for housing. This has been estimated by taking the difference between the projected number of households at the end of the period and the number of houses at the beginning of the period.

2.6 Assessment by the Ministry of Rural Development (MoRD)

The Ministry of Rural Development has also assessed the annual incremental increase in demand for rural housing at around 9 lakh houses. This has been done on the basis of the housing shortage of 137 lakhs as per the 1991 census, the housing shortage of 148.33 lakh as per the 2001 census, and the 65 lakh houses that were constructed under IAY from 1991-2001. Therefore increase in housing shortage was around 76 lakhs during this period of ten years, amounting to an average increase of 7.6 lakh houses per year. Taking houses likely to be affected by natural calamities the figure of incremental shortage of 9 lakh houses per year has been adopted by the Ministry of Rural Development.

2.7 Issues relating to the Sources of Data

After the allocation criteria were modified by the Ministry of Rural Development in 2005-06 to assign higher weightage to housing shortage and reduced weightage to the poverty ratio, State governments like Uttaranachal and Madhya Pradesh have complained that the housing shortage of 148.3 lakhs estimated by RGI based on census 2001 data does not reflect the true picture. Government of Madhya Pradesh has pointed out that a housing shortage figure of 2.08 lakhs for the State is less than the figure of 2.61 lakhs of Kerala. There seems to be merit in this argument as Madhya Pradesh has a much higher rural population and a higher poverty ratio than Kerala. Inaccuracies are likely to have crept into census data and while estimating the housing shortage we may need to use other sources of data as correctives. The Ministry of Rural Development has also asked State governments to prepare a permanent IAY wait list drawn from the household survey done by States under guidelines issued by MoRD in 2002, by listing shelterless families in the order of ranking in the list that is to say, in order of poverty as estimated under 13 indicators specified by MoRD. This methodology can also give us a list of “shelterless” families state wise which may be different from that

estimated from census data. Final figures in this regard are not available from all States. It appears then that decisions are required not only on the factors to be considered for assessing the shortage, but also the sources of data which should be used to assess the rural housing shortage.

2.8 Assessment of Rural Housing Shortage on the Recommendations of the Working Group.

2.8.1 As decided in the meeting of the Working Group, the rural housing shortage had to be calculated by the same methodology as adopted by the Working Group on Urban Housing. The assessment began by arriving at the projected figures of Households, Housing Stock, Pucca Houses, Semi-Pucca Houses, Serviceable Temporary Houses and Unserviceable Temporary Houses for the years 2007 onwards upto 2012.

2.8.2 The exponential growth rates for the Households, Housing Stock, etc., were calculated using the census figures of 1991 and 2001. Since the RGI figures of 1991 did not include the figures of J&K, the figures for 2001 excluding J&K were used. The growth rates were then applied on the figures of 2001, consisting of J&K figures, to project the number of Households, Housing Stock etc upto 2012. The growth rates and the projected figures are shown in Table – 1.

2.8.3 Further, the percentage of congestion i.e. 6.5% of Households was estimated based on 2001 census data of number of couples not having a room to themselves. Also the obsolescence factor of 4.3% of Households was based on data of 58th round of NSSO. The houses that were more than 80 years old and the houses with a life span of 40 to 80 years that were of bad quality were considered obsolete.

2.8.4 Table – 2 indicates the factors taken into account for estimating the Rural Housing Shortage during 2007-2012. The shortage works out to be 474.3 lakh houses during the period 2007-2012. It is assumed that at least 90% of this shortage pertains to BPL families. Thus the shortage of rural housing for BPL families is 426.9 lakh houses.

Table – 1

1. Exponential growth rate as estimated from 1991 & 2001 Census figures
2. Figures Used for Assessing Rural Housing Shortage

Housing Stock (Growth @ 2.09%)

(in million)

1991	108.65
2001*	134.01
2001**	135.09
2002	137.93
2003	140.82
2004	143.78
2005	146.80
2006	149.88
2007	153.03
2008	156.24
2009	159.53
2010	162.88
2011	166.30
2012	169.79

House Hold (Growth @ 2.1%)

(in million)

1991	111.53
2001*	137.11
2001**	138.27
2002	141.17
2003	144.14
2004	147.17
2005	150.26
2006	153.41
2007	156.63
2008	159.92
2009	163.28
2010	166.71
2011	170.21
2012	173.78

Pucca Houses (Growth @ 4.00%)

(in million)

1991	36.43
2001*	54.95
2001**	55.43
2002	57.65
2003	59.95
2004	62.35
2005	64.85
2006	67.44
2007	70.14
2008	72.94
2009	75.86
2010	78.89
2011	82.05
2012	85.33

Semi-Pucca Houses (Growth @ 2.6%)

(in million)

1991	37.20
2001*	47.89
2001**	48.32
2002	49.58
2003	50.87
2004	52.19
2005	53.54
2006	54.94
2007	56.37
2008	57.83
2009	59.33
2010	60.88
2011	62.46
2012	64.08

Source:

- (i) The figures of 1991 & 2001 are obtained from the Registrar General of India - Census Report on Housing 1991 & 2001
- (ii) *Figures excluding J&K, so as to use along with 1991 figures which also do not include J&K.
- (iii) **Figures including J&K is also from Registrar General of India - Census Report of 2001 on Housing, so as to calculate for further growth i.e. upto 2012.
- (iv) Figures of 1991 on Pucca, Semi-Pucca, Serviceable Temporary and Unserviceable Temporary Houses are calculated by applying the definition given in the Registrar General of India - Census Report on Housing 2001 to the information available in 1991 Census on classification of households by way of material used for roof & walls and using the same proportion for the Housing Stock.

Table - 2

Figures Used for Assessing Housing Shortage during 2007 & 2012

(in million)

	2007	2012
Housing Stock	153.03	169.79
Households	156.63	173.78
Pucca House	70.14	85.33
Semi-Pucca House	56.37	64.08

Assessing Rural Housing Shortage

S.No	Factors taken into account for assessing Housing shortage	Calculation	Shortage in million
1	No. of Households not having houses in 2007	No. of Households – No. of Housing Stock (156.63 million – 153.03 million)	3.60
2	No. of Temporary Houses in 2007	No. of Housing Stock – No. of Permanent Houses (Pucca + Semi Pucca) 153.03million – 126.51 million	26.52
3	Shortage due to Congestion in 2007	6.5% x No. of Households (6.5% x 156.63 million)	10.18
4	Shortage due to Obsolescence in 2007	4.3% x No. of Household (4.3% x 156.63 million)	6.74
5	Additional Housing Shortage arising between 2007 to 2012	No. of excess Households projected for 2012 over 2007 – No. of excess Housing Stock projected for 2012 over 2007 = (17.15 - 16.76)	0.39
Total Rural Housing Shortage 2007-2012			47.43
90% of total Rural Housing Shortage for BPL families 2007-2012			42.69

Chapter – 3

Government Initiatives in the area of Rural Housing

3.1 Indira Awaas Yojana

3.1.1 The earliest housing programme taken up by the Government of India was for rehabilitation of refugees immediately after the partition of the country. A formal village housing scheme was later launched in 1957 as part of the Community Development movement. Much later, the programme was enlarged and construction of houses was taken up as a major activity under the National Rural Employment Guarantee Programme (NREGP), which began in 1980 and later under the Rural Landless Employment Guarantee Programme (RLEGP) taken up in 1983. In 1985-86, IAY was launched as a sub-scheme of RLEGP and from April 1989, it became a sub-scheme of the Jawahar Rozgar Yojana (JRY). On January 1st, 1996, IAY was finally delinked from JRY and made an independent scheme.

3.1.2 IAY is a cash subsidy based programme, under which assistance is provided to rural BPL families for constructing dwelling units on their own using their own design and technology. Selection of IAY beneficiaries is carried out by gram sabhas. 60% of the funds provided under IAY are meant for SC and ST beneficiaries and the subsidy is sanctioned either in the name of the female member of the household or jointly in the names of both spouses. The present per unit assistance is Rs. 25,000 in plain areas and Rs. 27,500 in hilly and difficult areas. Funding under IAY is provided by the Centre and the State in the ratio of 75:25. Allocation among States and UTs is being done since 2005-06 based on the criteria of housing shortage and the poverty ratio, with a weightage of 75% for the first and 25% for the second criterion. Earlier, allocation was based on equal weightage to the two criteria. Districts are expected to follow the same criteria for reallocating funds to blocks. Funds are routed through District Rural Development Agencies (DRDAs). In practice it is seen that they transfer them to blocks or panchayats. States are authorised to make disbursements to

the beneficiary on a staggered basis depending on the progress of work, in two or more instalments.

3.1.3 The beneficiary is expected to construct a house of at least 20 sqm plinth area with a sanitary latrine and a smokeless chullah. Government departments can give technical assistance or arrange for coordinated supply of raw material such as cement, steel and bricks if beneficiaries so desire. DRDAs can contact other organisations for seeking expertise on innovative technology, material, designs and methods of constructing or upgrading houses to durable and disaster-resistant lodgings. State governments are also required to give guidance on cost effective environment friendly technologies, material and designs. Rural Building Centres (RBCs) were set up by the Ministry to enable access to appropriate technologies and capacity building at the grassroots level. Though the scheme has been discontinued from 2004, 85 RBCs sanctioned in different States are expected to continue to support technology transfer and produce cost-effective material. Their help is expected to be taken to get information on cost effective technologies and conducting training for rural artisans under IAY.

3.1.4 Upto 20% of the total funds available under IAY can also be utilised for upgradation of existing kutchha houses and subsidy for house construction with credit from banks and financial intuitions. The unit cost for upgradation of a kutchha house is Rs. 12500. Credit-cum-subsidy is provided to rural households with an annual income of up to Rs. 32000 only. The subsidy ceiling under this scheme is Rs. 12500 per household and the upper limit of a loan under the scheme Rs. 37500. 5% of the total allocated fund under IAY is kept apart by MoRD to meet exigencies arising out of natural calamities and other emergent situations like riot, arson, fire, rehabilitation under exceptional circumstances, etc.

3.1.5 From its inception in 1985-86 till date, the IAY programme has resulted in the construction of around 148 lakh houses in the country. Year-wise details of houses constructed under the scheme since its inception are shown at *Annexure-III*.

3.1.6 The Bharat Nirman programme, announced by the Prime Minister on August 15, 2005 covers six components of rural infrastructure, irrigation, roads, housing, telecommunications, power and water supply. It is an ambitious business plan of the Government of India for expansion of rural infrastructure and bridging the rural – urban divide. However, the housing target under Bharat Nirman – to construct 15 lakh houses per annum as part of the IAY scheme from 2005-09 – does not provide any additionality in funding or implementation.

3.2 State-run Housing Schemes

3.2.1 The rural housing programme was taken up in some States much before the Government of India introduced a scheme for rural housing for poor households. Around 15 States/UTs currently have their own schemes, which enable them to extend coverage under rural housing to a much larger group than is possible under IAY. These 15 States have together constructed 27 lakh houses in rural areas in this manner from 2001 to 2005, as shown at *Annexure-IV*. In the southern States and in Gujarat, Uttaranchal, Sikkim, Meghalaya, Pondicherry and Punjab, the number of houses constructed under state run schemes compares quite favourably with those constructed under IAY.

3.2.2 In most states, the state run schemes for rural housing broadly follow the IAY pattern of providing full subsidy for construction of houses and are financed through budgetary allocations at the state level. Gujarat, Jammu & Kashmir, Himachal Pradesh, Daman & Diu, Pondicherry, Punjab, Sikkim, Jharkhand have state run schemes that provide full subsidy for rural housing. Some State Governments have very large programmes that leverage loans in addition to budgetary support. In Andhra Pradesh and Karnataka, where the number of houses taken up is very large, these houses are funded through credit-cum-subsidy schemes where the credit is taken by the State Government from HUDCO and commercial banks and passed on to the beneficiaries. However the recovery of such loans from beneficiaries is quite poor, thereby affecting the sustainability of tying up credit in this manner. In Uttaranchal, the State has recently sponsored a credit-cum-subsidy scheme on a large scale and here the credit is taken directly by the beneficiary from the banks. Tamil Nadu too had

experimented with a credit-cum-subsidy scheme for the last two years where the credit was taken by the beneficiary from the bank.

3.2.3 The State-run schemes target different groups of beneficiaries and exhibit a range of unit costs with varying proportions of subsidy, credit and beneficiary contribution. The implementation agencies also vary from scheme to scheme and from State to State. Kerala implements three different schemes – one through the Panchayats and the other two through the Scheduled Caste and Scheduled Tribe Development Departments. The ceiling of assistance fixed by the Government in the case of general category is Rs. 35000 and that of SC is Rs. 50000 and ST Rs. 75000. Uttaranachal implements a Credit-cum-Subsidy Scheme (CCSS) through the DRDAs' on the pattern of CCSS of IAY with the only difference being that the subsidy in the State sector scheme is Rs. 10,000 as against Rs. 12500 being provided as subsidy under Credit-cum-Subsidy Scheme of IAY. The upper ceiling for the loan amount is Rs. 40000. Tamil Nadu had implemented a scheme known as 'Housing for the Rural Poor' through DRDAs for 2 years for 2004-06. The unit cost of this scheme was Rs. 10000 out of which Rs. 2500 was the State subsidy, Rs. 7000 was the bank loan and Rs. 500 was the beneficiary contribution. Tamil Nadu provides an additional subsidy of Rs. 9000 in addition to the unit cost given by the Government of India for the IAY houses. Gujarat is implementing 4 rural housing schemes. Among these, the main scheme is the Sardar Patel Awaas Yojana for BPL families implemented by District Panchayats. The other schemes are the Dr. Ambedkar Awaas Yojana for SC families, Adin Jati for tribals & primitive groups and Halpati Housing Scheme for ST families. The common feature of all these schemes is that the unit cost is Rs. 40,000 or above which is either fully subsidised by the State Government or has part beneficiary contribution. In addition, the Gujarat government provides Rs. 11000 to supplement the unit cost of the IAY houses. Jharkhand is implementing the Dindayal Awas Yojana and Bisra Awas Yojana. The unit cost of Dindayal Awas Yojana is Rs. 25000 and is fully subsidised by the Government. The Bisra Awas Yojana is meant for Primitive Tribes Group. The unit cost of Rs. 70000 is fully subsidised by the Government. Punjab provides Rs. 20000 per housing unit to SC beneficiaries for construction of a new house or for improving the existing kutch house. Himachal Pradesh

is implementing Rajiv Gandhi Awas Yojana for SC / ST and OBC in rural areas. The unit cost and other terms and conditions are as per IAY guidelines. Daman & Diu Administration is implementing a rural housing scheme meant for the tribals under Tribal Sub Plan, on the pattern of IAY. Since 2003-04, Pondicherry is implementing 'Kamaraj Centenary Housing Scheme for Houseless Poor' for BPL families. In the case of Sikkim, the unit cost of the CM's Housing Scheme is Rs. 42000 of which Rs. 20000 is the subsidy and Rs. 13000 is given in kind and the balance is beneficiary contribution. Maharashtra is about to launch the Rajiv Gandhi Nivara Yojana wherein BPL families will be sanctioned houses on the IAY lines and APL families will be entitled to interest-free loans.

3.2.4 In Karnataka three schemes, namely Rural Ashraya Housing Scheme, Housing for Special Occupational Groups and Ambedkar Housing Scheme are being implemented. Under Rural Ashraya, meant for economically weaker sections in rural areas, the unit cost is Rs. 20000 with full subsidy for SCs / STs and Rs. 10000 as subsidy and Rs. 10000 as loan for general categories. Under Ambedkar Housing Scheme, meant for economically weaker sections among rural SCs / STs, is again based on a total subsidy of Rs. 20000. The financial assistance per house for the special occupational groups is Rs 40000 of which the subsidy amount is Rs. 10000. In all these schemes, beneficiary contributes according to his capacity. In Andhra Pradesh the main rural housing schemes are Rural Permanent Housing (RPH) and Semi-Permanent Rural Housing (SPR). The schemes are applicable to BPL / SC / ST / BC / Minorities and EBCs. For RPH, the unit cost is Rs. 25000 out of which Rs. 7000 is subsidy, Rs. 17500 is the loan and Rs. 500 is the beneficiary's share. For SPR, the unit cost is Rs. 7500 out of which Rs. 7000 is subsidy and Rs. 500 is the beneficiary contribution. Special housing schemes are also taken up for fishermen, weavers, beedi workers, minorities and for families affected by natural calamities. In most of these schemes the unit cost per house is Rs. 40000 with varying subsidy and loan amounts.

3.2.5 Most of the state run schemes are implemented through the DRDAs, while schemes for certain targeted groups are generally implemented by the concerned departments. In Karnataka and Andhra Pradesh, housing corporations have been set up which not only

leverage the finances, but also provide technical guidance to beneficiaries for construction of their houses through staff placed at the district and block level.

3.2.6 The beneficiaries of IAY are expected to be families below poverty line. Many States have followed the same criteria for their own scheme as in the case of Kerala and Gujarat for their Sardar Patel Awas Yojana Scheme and Andhra Pradesh for the Minorities / Beedi workers / Fishermen / Weavers Housing. But some other State governments have specified income limits for determining the eligibility of beneficiaries under their State-run schemes. In the case of Uttaranchal the income limit is Rs. 32000 per annum for the Credit-cum-Subsidy scheme. In Gujarat, the income limit is Rs. 24000 per annum for two of its schemes namely, Dr. Ambedkar Awas Yojana, and Adijati but Rs. 11000 per annum for the Halpati Housing Scheme and no income limit is prescribed for the primitive ST group. In Andhra Pradesh the income limit for its major rural housing Rural Permanent Housing (RPH) and Semi-Permanent Housing (SPH) schemes the income limit is Rs. 20000 per annum, while in Karnataka the income limit for its major scheme viz., Rural Ashraya Housing Scheme and Ambedkar Housing Scheme is Rs. 11800 per annum. In Karnataka the income limit for housing for special occupational groups is Rs. 32000 per annum. In Himachal Pradesh, the income limit for selection is Rs. 17000 per annum, while in Pondicherry, it is Rs. 21000 per annum.

3.2.7 Again as per the IAY guidelines, beneficiaries have to be selected through a Gram Sabha but this is not the case for the different State run housing schemes. Andhra Pradesh used to give quotas for additional houses to the MLA, the Minister-in-charge of the district and the Chief Minister. Recently, this quota system has been done away with. In Karnataka, a waitlist is prepared but which is periodically updated by Gram Panchayats through the Gram Sabha. Earlier Karnataka followed the method of selection by a committee headed by the MLA till the responsibility was shifted to the PRIs. In Pondicherry, the beneficiaries are recommended for selection by the MLAs. Kerala follows the method of preparation of a waitlist by Gram Sabha, which is kept valid for the Plan period.

3.2.8 There are also certain notable features of the State run schemes which are worth mentioning. Andhra Pradesh follows the Principal Bank Branch System (PBBS) in handling of finances and release of funds to the beneficiaries. In Andhra Pradesh schemes have been taken up specifically for cyclone-affected families. In Gujarat plots are provided under Sardar Patel Awas Yojana and construction is through NGOs. This is also the case of Punjab, which provides financial assistance to rural SC BPL families to acquire house-sites. The plinth area of the houses generally follows the IAY prescription of 20 sqm except in the occupation-based housing schemes.

3.2 HUDCO and National Housing and Habitat Policy, 1998

3.3.1 HUDCO started its rural housing activity from 1977-78 by extending assistance for construction / upgradation of rural houses. As part of its commitment to rural housing, HUDCO makes available financial assistance to State governments and their agencies like Housing Boards, District Taluka and Panchayat Development Boards, nominated by the State government for undertaking housing schemes with its assistance.

3.3.2 HUDCO's normal rural housing programme by and large caters to Economically Weaker Sections (EWS) (with a monthly household income less than Rs. 2500). In addition, HUDCO assistance is also available for reconstruction of rural houses in natural calamity affected areas. HUDCO finance for the EWS category is available at concessional rates. Assistance extended to EWS is at present at a floating rate of 9% which is 1.25% less than HUDCO's base rate.

3.3.3 In rural areas, the three types of schemes financed by HUDCO include:

- (i) EWS rural housing schemes for landless persons
- (ii) EWS rural housing schemes for land owning persons and
- (iii) the village abadi scheme including house repair

Under the first two schemes, the cost ceiling per dwelling unit is Rs. 60000. The maximum extent of finance is 90% of the project cost or Rs. 40000 whichever is less. Under the first scheme HUDCO supplements effort of State governments to provide free house sites by extending loans at low interest rates. The third scheme envisages improvement of existing houses as well as environmental improvement of surrounding areas by providing for

sanitation, drainage, water supply, link roads, etc. Most of the HUDCO's sanctions pertain to the second scheme.

3.3.4 Over the last 28 years, HUDCO has sanctioned 2472 schemes with a loan amount of Rs. 5807 crore for construction of 86.11 lakh dwelling units in various States in the country (as on 31st March, 2006). State-wise details are as follows:

Sl. No.	State	No. of schemes	Project cost (Rs. in cr.)	Loan sanctioned (Rs. in cr.)	Dwelling units sanctioned
1.	Andhra Pradesh	438	2621.44	1497.99	1822341
2.	Assam	7	16.06	9.34	13297
3.	Bihar	33	48.3	37.99	57537
4.	Chhattisgarh	7	1.86	0.93	4094
5.	Gujarat	330	203.18	93.22	295623
6.	Himachal Pradesh	33	125.37	103.67	66070
7.	Haryana	14	9.83	9.50	19774
8.	Jharkhand	9	623.89	552.86	218567
9.	Jammu & Kashmir	10	5.75	2.05	4430
10.	Kerala	319	1279.66	770.64	609106
11.	Karnataka	346	1770.42	943.41	1342734
12.	Meghalaya	2	6.48	5.79	2475
13.	Maharashtra	187	66.96	37.04	111250
14.	Manipur	2	1.48	0.99	446
15.	Madhya Pradesh	60	13.66	6.68	26534
16.	Mizoram	4	9.26	6.30	626
17.	Orissa	108	748.87	472.52	192928
18.	Punjab	30	33.30	26.02	66508
19.	Rajasthan	88	53.69	38.03	59690
20.	Sikkim	1	1.30	1.17	500
21.	Tamil Nadu	332	1145.68	648.45	703790
22.	Tripura	2	2.39	1.90	1064
23.	Uttaranchal	7	49.81	30.64	38665
24.	Uttar Pradesh	63	262.05	104.60	305257
25.	West Bengal	40	1423.56	405.28	2648058
	Total	2472	10524.25	5807.01	8611364

3.3.5 Analysis of HUDCO rural housing programmes indicates that not all States have participated equally. Most States do not even have separate State level agencies for taking up the Rural Housing Programme. Funds taken from HUDCO are passed on as loan to beneficiaries but the cost is ultimately borne on the budget as the recovery rate is very poor.

3.3.6 The Ministry of Urban Development formulated a National Housing and Habitat Policy in 1998, which also covered issues relating to rural housing. The ultimate goal of this policy was to ensure that basic need of “shelter to all” is fulfilled by correcting excessive dependence on the public agencies and creating strong public – private partnerships for tackling housing and habitat issues. The policy also indicated the role of government and identified specific action areas. Subsequently efforts were made to operationalise the policy particularly in the context of urban housing. Still, in the area of rural housing, HUDCO stepped up its lending substantially since 1998. Recently, the Ministry of Urban Development has again drawn up a housing policy, which is meant only for urban areas.

3.4 National Housing Bank (NHB)

3.4.1 The NHB was set up in 1988 under the NHB Act of 1987, as the principal agency for promoting housing finance institutions at the local and regional levels. It has been providing financial support in the form of equity and refinance to cater to the housing credit needs of all segments of population through primary lending institutions like commercial banks, housing finance companies (HFCs) and cooperative institutions. NHB has issued guidelines for participation in the equity of HFCs. According to these guidelines, HFCs set up specifically to cater to the needs of borrowers in rural areas as well as Economically Weaker Sections (EWS), will obtain equity support from NHB to the extent of 50% of their paid up capital as against 25% for HFCs in urban areas. NHB has also been providing refinance support to banks and other housing finance institutions at concessional rates to encourage lending in rural areas. In 2004-05 and 2005-06, nearly 50% of NHB’s total refinance was for housing in rural areas under the Golden Jubilee Rural Housing Finance Scheme (GJRHFS) launched in 1997-98.

3.4.2 Under GJRHFS, financial assistance is provided to banks, HFCs and cooperative institutions in respect of loans extended by them in rural areas. Refinance under the scheme is provided at concessional rates of interest of 25 bps less than applicable rates. Prior to 19-12-2005 and for 2004-05, the concession under GJRHFS was 50 bps less than applicable rates of interest. Targets under the scheme have been gradually increased from a level of 50000 units in 1997-98 to 3.30 lakh units in 2006-07.

3.4.3 Refinance under GJRHRS has been availed of by commercial banks and HFCs. Refinance availed of by commercial banks under GJRHFS for the last 3 years is as follows:

In Rs. crore		
2003-04	2004-05	2005-06
1700.88	3536.16	2609.85

Chapter – 4

Strengths and Weaknesses of IAY

4.1 Strengths of IAY

Evaluation studies and feedback indicate the following *positive* features of IAY.

- (i) The **basic benefit of shelter** has been provided to significant proportions of socially and economically vulnerable sections.
- (ii) The Concurrent Evaluation Report of the Ministry (1998-99) states that 86% of the beneficiaries have expressed fairly good **satisfaction levels** with constructed houses.
- (iii) The **occupancy rate** of constructed IAY houses is high.
- (iv) There has been adequate **coverage of SC and ST beneficiaries**.
- (v) There have been other benefits of the scheme as follows:
 - a. Construction activity is estimated to have generated **considerable employment** besides providing scope for skilled beneficiaries like the mason, carpenters, etc.
 - b. Beneficiaries have developed a sense of opportunity especially for **expanding self-employment** activities. Besides as the basic need of housing has been fulfilled, the beneficiaries are more equipped to focus on earning, etc.
 - c. A **cleaner environment** has been provided by the IAY houses.

4.2 Shortcomings in the functioning of IAY

The studies and feedback also highlighted the following *shortcomings* in the functioning of the scheme

4.2.1 Adequacy of Houses and Allocation Criteria

At the field level, the clamour for housing is a clear indication of the demand for housing being much greater than the supply. There is a need to address the gap between housing shortage and demand on one hand and the existing availability of houses, which is primarily through the subsidy-based IAY scheme. If the conservative estimate of housing shortage of

148.33 lakh made by RGI and the incremental shortage of 9 lakh per annum estimated by MoRD is taken into account, the problem of shelterlessness cannot be tackled even in the next 20 years at the current level of coverage of only 15 lakh IAY houses per annum. It is necessary to significantly step up the quantum of rural housing being added every year and to provide suitable schemes for meeting the housing needs of the BPL families that remain left out under the present schemes and of APL families. This could be achieved through a judicious mix of various modes of financing rural housing and by encouraging livelihood-based habitats. In this context, it is important to strengthen the existing credit-related products and to introduce new products to cater to a wider spectrum of housing needs.

Various studies have concluded that allocation should be based only on housing shortage and further that the housing shortage should be assessed only at the field level. Studies have recommended that it is desirable to evolve a practice at the level of village Panchayat to enumerate actual shortage of houses and inferior houses that need replacement.

4.2.2 Selection of beneficiaries

Studies have revealed that 25% to 50% of the beneficiaries are not being selected through the Gram Sabha. Further the selection as well as allocation among panchayats has been influenced by the PRIs / MLAs. There is substantial demand for patronage by the MLA / MP who like to be involved in the selection of beneficiaries. The vocal and active segments of beneficiaries influence the selection process because of the limited allotment under IAY. In the process, the poorest among BPL households are left out, and non-BPL families also get selected for the IAY houses. Many of the families in greater need get left out. Moreover, only beneficiaries who have house-sites are selected and thus, the very poor who do not have a plot of land get left out from the purview of the scheme. The coverage of physically handicapped persons is also not adequate.

Collection of illegal gratification for selection by Panchayati Raj Institutions (PRIs) is a common complaint often heard at the field level, as brought to light by the several studies. A study by Dr. Ambedkar University in Uttar Pradesh indicates that the bribes taken by Gram Pradhans for selection of beneficiaries range from Rs. 2000 to Rs. 3000. Similarly a

study by Santek Consultants in Banswara district in Rajasthan indicates that beneficiaries have to shell out around Rs. 2000 for allotment of the house.

To some extent the selection problem is related to the general problem of identification of BPL families on account of difficulties in defining the poverty line and developing the methodology to identify BPL families.

4.2.3 *Adequacy of Unit Cost*

Studies reveal that 50-90% of beneficiaries are not satisfied with the grant-in-aid provided under the scheme. Inadequacy of cash assistance for construction has resulted in poor quality of house, non-fulfilment of requirements of the disaster-prone areas and debt trap on account of the beneficiaries having to borrow funds to complete the construction of a pucca house. Several examples have been reported of poor quality of construction, sagging foundation, use of temporary materials for roofing or leaving the construction incomplete because of inadequate finance. Even after contributing their labour and borrowing from local sources, a significant number of families are not able to complete the house in all respects, and most houses remain without plastering or flooring.

There is an overwhelming demand from several quarters to increase the unit cost and to base it on local conditions and socio-economic requirements. There is need for a mechanism that responds to the requirement for upward revision of the unit cost of assistance under IAY from time to time.

4.2.4 *Size of dwelling and structural facilities*

The concurrent evaluation report of the Ministry (of IAY in 1998-99) indicates that the average size of constructed homes varies across States but still is little more than the area of 20 sq m prescribed under IAY. Yet most houses are built as “living room” structures only. Only in a few States like Kerala and Tamil Nadu the IAY houses have a living room and a separate kitchen.

The same report also pointed out that 71.5% of the IAY houses did not have sanitary latrines and only 11% of them had installed smokeless chulhas. In general, the southern States had a

relatively larger share of sanitary latrines and smokeless chulhas. Current reports from the States indicate that around 52% of the houses now being constructed under IAY have sanitary latrines and around 48% of them have smokeless chulhas.

4.2.5 Quality of housing and use of appropriate technologies

Inadequate financial assistance results in houses not being completed in all respects. Sometimes the compromise results in a semi-pucca house. Most States also do not have any mechanism to provide technical support and guidance to the beneficiaries for construction of their houses. Though the beneficiaries' satisfaction with the constructed houses is high despite these inadequacies, there is scope for improving the quality.

IAY guidelines recommend that State government and implementing agencies should facilitate access to information on innovative technologies, materials, designs and methods, but this is clearly lacking. There is need for developing and popularising appropriate technology through a network of institutions, which could result in low cost environment friendly and disaster resistant houses as per local cultural preferences.

4.2.6 Implementation Issues and Monitoring

Shortage of grass-root level implementing officials as well as other responsibilities assigned to such officials results in inadequate monitoring and delays in implementation. Instalments of financial assistance do not get disbursed in a timely manner and beneficiaries complain of having to shell out bribes not only for allotment of houses but even for subsequent release of funds.

There is need to expand the availability of technical assistance also at the block and village levels. There is no systematic verification mechanism during and after construction. Studies have pointed out the need for a more active role for Panchayats in the implementation and monitoring of the scheme.

4.2.7 Ownership issues, housing environment and coordinated growth

The IAY guidelines prescribe allotment of the dwelling unit in the name of female member of the beneficiary household. However, it is found that the title of the house site tends to be

in the name of the male member of the household. Hence the benefit to be accrued to the women by allotment is restricted only for the purpose of the scheme sanction.

There is not enough effort to integrate the housing programme with other schemes for providing basic amenities especially like drainage, drinking water, internal roads and electricity. There is absence of development authorities, which could help in layout planning and enable coordinated growth of rural habitat.

Chapter – 5

Need for a Rural Housing and Habitat Policy

5.1 Inferences drawn for the Formulation of New Interventions

The status note of the Rural Housing programme given in the earlier chapters as well as the assessment made of the housing shortage enabled the Working Group to draw up the following inferences:

- There is acute shortage of housing and there is a need to address the gap between the housing shortage and demand on one hand and the existing availability of housing.
- ‘Shelter for all’ to be achieved through ensuring homestead land availability for all within the 11th Plan in a phased manner.
- Access to basic infrastructure along with housing must be addressed in order to make a meaningful difference in rural habitat conditions.
- At present, Government’s intervention is primarily through its subsidy-based IAY scheme. Suitable schemes for meeting the housing needs of such of those BPL families that remain left out and of APL families would have to be formulated.
- It is imperative to create facilitative conditions that allow a greater number of rural households to access housing and quality habitat through government support as well as through people’s own efforts.
- There is an urgent need to devise and make available a judicious mix of various modes of financing rural housing and to encourage livelihood-based habitats.
- The private sector which at present is not very active to cater to the housing demand of rural poor would have to be activated.
- The shortcomings of IAY scheme necessitate corrective measures for better targeting of eligible beneficiaries through the participation of the gram sabhas, prevention of corrupt practices and provision of adequate homestead lands to the landless, with due emphasis on the use of appropriate technology.

- Capacity building of key stakeholders including SHGs, Panchayats, government functionaries and local artisans who have a role in housing and habitat development in the villages must be facilitated.
- Convergence between Govt schemes, delivery channels & institutional mechanisms across departments is necessary for total habitat development in rural areas.
- To government needs to formulate a Rural Housing and Habitat Policy which would enable tackle shelterlessness on a larger scale.

The Working Group thereafter discussed the aims of such a Rural Housing Policy and these aims are listed at para 5.2. The Working Group also discussed the various alternatives for financing rural housing and specific interventions requiring immediate attention. These aspects are dealt with in chapter 6 and 7 respectively.

5.2 Aims and Objectives of the Rural Housing and Habitat Policy

Shelter is a vital entitlement to a citizen and the caliber of a society is revealed by the manner by which the basic needs of food, shelter and livelihood are addressed and manifested across the country. While various Human Rights Treaties resonate the overriding need to ensure, among other rights, the Right to Adequate Shelter, Article 21 of the Constitution of India guarantees the 'Right to Life' to all its citizens. This implies the right to food, water, hygienic environment, medical care, shelter and education- all woven into a basket of facilities that provide a quality life to a citizen and a habitat that facilitates dignified living, with privacy and self respect.

India, with its predominantly rural populace, both scattered and concentrated in villages with marginal to low levels of economic development holds forth a unique challenge in the task of addressing the rural housing needs. The challenge of such a task is multi-dimensional in that area specific geo-climatic features need to be considered in consonance with the meagre affordability levels of the people. The strategy of a Rural Housing Policy would have to be sustainable, based on community choice and would have to provide the household with control over the ownership of the asset and the aims and objectives of such a Rural Housing Policy would broadly be as follows:

- (i) To create within the timeframe of the Eleventh Five Year Plan, adequate rural housing stock that would cater to the rural housing shortage estimated as per the Census data.
- (ii) To prepare a State-wise road map with a definite time frame for provision of appropriate and affordable housing to shelterless households either by way of upgradation of kutcha houses or through construction of new houses.
- (iii) To restructure and strengthen the local and state level institutions / agencies so that the framework for mobilizing additional land and finance for housing purposes and community infrastructure building is created.
- (iv) To introduce the participation of private entrepreneurship on a selective basis and initiate housing development through public-private partnership wherever deemed feasible.
- (v) To plan for removing the barriers preventing greater credit flow into rural areas and to suggest administrative, legal, fiscal and any other operational changes that would facilitate entry of greater resources so that the rural-urban gap of quality of life is bridged.
- (vi) To provide for an assembly of basic services like water supply, sanitation, power, roads and other livelihood infrastructure that eliminate daily household drudgery and creating sustainable habitats attuned to local requirements.
- (vii) To identify specific rural segments where habitat development can take place along the lines of integrated townships with layouts etc., and reverse the process of migration to urban and semi-urban areas.
- (viii) To prepare area specific livelihood based habitats after factoring in the local requirements and constraints, in terms of availability, adequacy and appropriateness of resources.
- (ix) To put in place a legal-administrative mechanism that provides housing plots for the totally landless so as to qualify them for financial targeting and subsequent livelihood initiatives.
- (x) To put in place a mechanism for identification that would ensure the flow of benefits from Government funded housing programmes to genuine BPL population.

- (xi) To energise the functioning of PRIs so that issues of access to land, finance and community participation are more effectively addressed at a decentralized level.
- (xii) To generate awareness and promote cost effective, environment friendly, energy saving and disaster resistant technologies.
- (xiii) To achieve a synthesis between R&D institutions, financial institutions and implementing agencies in the planning and development of rural housing.
- (xiv) To provide for operational flexibility in the implementation of housing programmes in different parts of the country. The flexibility in the delivery mechanism can be in terms of design, implementation, technology choice and allocation of financial resources.
- (xv) To develop the required technical and managerial capacity of delivery agents including local masons and artisans.

Chapter – 6

Financing Rural Housing

6.1 Introduction

6.1.1 Indian economy has been growing at an impressive pace for last ten years but it remains predominantly rural. Three fourth of the population is still residing in the rural areas. Even with increased pace of urbanization and urban migration, as per trends, 65 % of the population will still be residing in rural areas in 2025.

6.1.2 Good rural infrastructure in these areas remains a challenge even after 60 years of independence. Housing, basic amenities of water, sanitation and domestic energy along with village infrastructure such as roads, village water supply, electrification, drainage and livelihood infrastructure etc. are the prominent requirements in this regard. As per estimates worked out in Chapter 3, the housing shortage itself in rural areas is more than 400 lakh, similar shortages in basic amenities and infrastructure have been highlighted in the Census.

6.1.3 A major reason for not being able to eliminate shelterlessness is shortage of financial resources. At the same time the lack of convergence of various programmes of village infrastructure run by various departments and ministries is another reason. At present, central and state budgetary allocation and institutional finance from Scheduled Banks is the mainstay of providing finance to rural housing sector. Central Government has been allocating funds to various states for implementation of Indira Awas Yojana, which is being operated on 75:25 basis between the Centre and the States. In addition, many of the state governments are also implementing their own schemes from their state budgets that are either Capital Subsidy Schemes and / or Credit-cum-Subsidy Schemes.

6.1.4 Funding rural housing would necessarily begin with Central Government increasing its budget for capital subsidy programme. Further the State Governments could be

incentivised to increase their portion of share for Central allocations over and above certain minimum Central allocations.

6.1.5 Still, considering that subsidy schemes are limited by budgetary allocation while the demand for rural housing is huge and is limited not only to below poverty line (BPL) families, it is important to strengthen existing credit-related products and to introduce new products to cater to a wider spectrum of housing needs. Financial instruments that could facilitate both BPL and APL families to expand their houses, upgrade and repair the existing shelter and also mechanisms by which Panchayats could develop village infrastructure are required. This aspect was discussed in the meeting of the Working Group wherein it was felt that a multi-dimensional approach had to be adopted and the members suggested various possible interventions. In this regard, Chairman, National Housing Board submitted a paper with details of the alternative ways of financing rural housing.

6.2 A Paradigm Shift

Since there is limitation on the part of Government to eliminate housing shortage even in BPL segments solely through budgetary allocations, there is need of a paradigm shift in strategy through adoption of a multi dimensional approach to ensure housing finance in rural areas for all segments of rural population. Also it is important to make it affordable and accessible. Such a multi-dimensional approach would focus on:

- Targeting Government's capital grant assistance to extreme poor and destitute BPL families i.e. poorest among the poor and encouraging the marginally poor families to take housing loans from the banks with an element of interest subsidy.
- Targeting different segments of families with appropriate and customized housing loan products.
- Encouraging Government and Civil society partnerships to extend necessary support to BPL segments to improve their livelihood opportunities and income levels that will enable them in due course to invest in housing.
- Encouraging effective conversion of house asset as productive housing through appropriate schemes and institutional mechanism. NHB has already put in place a

scheme called, 'Productive Housing in Rural Areas (PHIRA)' which is being implemented in partnership with banks and micro-financing institutions.

- Catalysing institutional finance as well as micro-finance for investment in rural housing.
- Capital market funds and multinational funds may be invested in rural habitat development in partnership with state government and civil society.
- Evolving and introducing appropriate risk mitigants with safeguards, including insurance of both the asset and the securitization of loans.
- Increasing overall volumes at accelerated pace through effective collaboration and partnership arrangements with various institutions.

6.3 Proposed Strategic Interventions

To implement the proposed multi-dimensional approach, it is necessary to have right kind of intervention programmes so that objectives laid out are achieved within the target time. Hence, the following strategic interventions are suggested:-

- Limit Government Capital subsidy to the extreme poor and destitute families under Indira Awas Yojana and /or any other Scheme.
- Introduce Interest Subsidy Scheme whereby borrowers in the category of economically weaker sections gets loan at concessional and affordable rates.
- To encourage primary lending institutions to enhance their credit flow to the rural populations and actively involve the existing institutional mechanisms of SHGs and microfinance institutions to extend loans to rural populations.
- To encourage new , flexible financial products through commercial banks geared to payback cycles of rural families to bring about a higher degree of inclusivity in institutional lending for rural housing
- To develop mechanisms that will focus on 'Productive Housing' i.e. house in rural areas to be used as a base for income generation which would lead to asset building, women empowerment, family development, hygienic housing, improved health facilities, better education for children leading to human capital formation as well as sound collateral for various finances.

- Encourage small and medium developers to take up housing in rural areas through a mix of fiscal incentives and business volumes after necessary environment and social impact assessments and clearances from the Panchayati Raj Institutions.
- To create institutional mechanisms to address the higher risk perception in rural areas.
- Consider housing at par with rural infrastructure as far as funding and concessions are concerned, in order to encourage investments in the sector.
- Based on the aforementioned multi-dimensional approach and strategic interventions, specific initiatives which can be taken up are listed below.

6.4 Interest Rate Subsidy Housing Loan Scheme for the poor

6.4.1 Many civil society members generally argue that the rate of interest on housing loans in the rural areas is higher compared to urban areas and that the benefits of liberalisation have not percolated to rural areas. Though the rate of interest (ROI) charged by lending institutions is the same in the urban and the rural areas, the effect of fiscal concessions reduce the effective rate of interest by about 2.5% - 3% per annum for the urban households who file Income Tax returns and claim the benefits. However, in the rural areas, the same is not happening and therefore, the effective ROI remains high compared to urban areas. Hence, there is a need to bring down the ROI to that extent in rural areas specially for the poor.

6.4.2 As the effect on ROI is happening at the individual level and the lending institutions operations are market oriented, the lending institutions will not be able to offer the reduction in ROI lower than their market costs. Therefore, there is need to provide Interest Subsidy to make the loan effectively affordable. The interest subsidy could be restricted to the initial 7 years with phased reduction and thereafter, the subsidy could be completely withdrawn. The borrower could then pay the regular equated monthly instalment or seasonal payment cycles depending on occupational patterns of the rural borrower, as it is assumed that the borrower's income will increase on a year to year basis. The Interest Subsidy could bring

down the ROI at affordable level in line with the agricultural loans, as well as entuse the lending institutions to operate under prevailing and competitive market conditions.

6.4.3 This interest subsidy could be extended to credit for construction using energy efficient and cost effective construction technologies. The certification of use of such construction technologies could be provided by appropriate regional institutions designated and linked to the lending institutions at the district and block levels.

6.4.4 Fiscal incentives could be extended to producers of cost effective and energy efficient building materials to encourage them to promote these in rural habitat development

6.5 National Rural Shelter Fund

NHB could be allowed to create the National Rural Shelter Fund for providing financial assistance to primary lending institutions (PLIs) to enable them to lend to ultimate rural borrowers at lower interest rate. The proposed fund would act as the main vehicle for financing borrowers having repaying capacity as well as for schemes like “Productive Housing in Rural Areas” i.e. housing loan scheme with livelihood. There would be no direct subsidy from the Ministry of Rural Development, GOI for the purposes as in case of agriculture lending. However, NHB could be allowed to access the funds through:

- a. Floatation of Capital Gains Bonds under Section 54E of IT Act (on tap)
- b. Access to Rural Infrastructure Development Fund (RIDF) by expanding the activities covered under it to include rural housing.

6.6 National Rural Housing Consortium

A consortium could be created comprising of nodal organisations such as NHB, NABARD, nationalised and premier commercial banks and apex micro-finance institutions to provide equity and debt for rural housing for small and marginal farmers, small village artisans, self employed, etc. MoRD could play the role of a “Key Facilitator”. The broad functions of the consortium would be as follows:

- a. Participation in the equity of housing projects for small and marginal farmers, self employed, etc.

- b. Participation in the rural development projects especially the infrastructure projects for basic amenities through equity and loan.
- c. Participation in the institutions / organizations undertaking projects towards linking Rural area (products) to semi-urban markets for increased benefits of market developments through equity, loan and grants.
- d. Participating in the programmes undertaken by various agencies for capacity building of rural masses especially towards cost effectiveness and use of local materials for housing and housing related activities.
- e. Participation in PURA projects, Bharat Nirman and other integrated rural area development projects.
- f. Convergence with various infrastructure development plans as proposed under the Bharat Nirman in order to bring the under one umbrella the development of rural habitats in toto.

6.7 Incentivising Lending Institutions

Presently, housing finance companies (HFCs) registered with NHB, are allowed to create a Special Reserve to the extent of 40% out of the income earned through the long term mortgage financing (mortgage loans for more than 5 years) under Section 36(1) (vii) of the I.T. Act. This fiscal incentive is however, not available to banks, who are presently the leaders in the housing finance market. At present, the rural housing loan portfolios of banks and HFCs, comprise only 10-12% of their total housing loans. Therefore, there is need to incentivise these institutions to increase their lending in rural areas. It is therefore, proposed that the limit under this provision be increased from the present level of 40% to 60% for HFCs, banks and NHB. The additional 20% provisions will exclusively be for lending in rural areas. As banks have wider net-working in rural areas and have been providing other credit in rural areas, they should also be allowed the benefit under this section. Therefore, it is proposed that banks may also be allowed to create the Special Reserves on the lines of HFCs, for long term mortgage financing in rural areas. This will encourage banks and HFCs to aggressively lend for housing in rural areas. Self Help Groups and Micro finance institutions could also be encouraged to actively involve in extending housing loans

6.8 Securitisation of Rural Housing Loans

Encouraging Securitisation of rural housing loans to help garnering surplus resources from the market for investment in housing. This requires the following measures:

- a. Rationalisation of stamp duty across all the states on the instruments of mortgage backed securities on the lines of Maharashtra, Tamil Nadu, Karnataka, Delhi, Andhra Pradesh etc.
- b. Treating mortgage backed securities as “Trustee Securities” under the Indian Trust Act, 1882.
- c. Treating these securities as “Approved Securities” for investment purposes by Provident / Pension and Insurance Funds.

6.9 Livelihood – based Housing and Habitats

6.9.1 Credit schemes can offer more flexibility and increase the number of housing units that can be taken up in response to the demand, but their utility is limited on account of low credit-worthiness of the poor. If credit-cum-subsidy schemes are provided for construction of livelihood-based housing and habitats, these might enhance the credit-worthiness of the beneficiaries.

6.9.2 There is a strong case for people with identical occupations, like weavers, dairy farmers, etc., forming a habitat, which can house the entire range of facilities like water supply, sanitation, power, internal roads and common workshop, that contribute to the quality of life.

6.9.3 As far as possible, local manpower – skilled and unskilled must be employed in habitat development and house construction in villages. This will counter migration to urban areas.

6.9.4 Livelihood schemes can serve as the basis for housing and habitat development whereby the savings of SHGs could be mobilized as collateral for housing loans for members linked with banks.

6.9.5 The case for the development of livelihood-based housing and habitats can be strengthened by the involvement of Self-Help Groups (SHGs).

6.10 Risk Mitigants

Introduction of appropriate risk mitigants would provide further boost to PLIs in increasing their lending in rural areas as well as would be an effective tool for residential mortgage backed securitization for rural housing loans. Risk mitigants which could be introduced are as follows:

a. Title Guarantee: In a majority of the rural abadi areas a clear title of the land pertaining to the existing houses, is not available. In the absence of such clear titles, the PLIs find it difficult to provide housing loans on such property. Therefore, to cover the risk of default / defects in the title, a simple affidavit by the borrower being the legal heir of the house property duly signed by the village Panchayats or Land Revenue Officer, can be treated as a valid document for the purpose of creation of the mortgage.

b. Rural Risk Fund: Presently, the PLIs have high risk perception for lending to the poor. The risk fund will provide credit guarantee cover for loans upto Rs. 1 lakh taken by the BPLs. However, for effective operationalisation of such a fund, the Ministry of Rural Development could consider providing an initial corpus of Rs. 1000 crore to NHB to set up such a fund to be exclusively used for providing cover to PLIs for small loans say upto Rs. 1 lakh taken by the poor where the primary security i.e., valid collateral e.g., title deed is not available.

c. Mortgage Credit Guarantee: This would cover all loans given by PLIs i.e., in urban and rural areas with loans above Rs. 1 lakh. NHB with the other institutions will bring in the required corpus of initial funds and PLIs will be paying premium for the credit cover which may be shared between PLI and the ultimate borrowers Mortgage credit guarantee for rural micro-habitat finance for loans upto 1 lakh could be borne by the lending institution itself as a one time premium.

d. *Legislative Mechanism:* Appropriate legislative amendment allowing village panchayat certificate on land titles and borrower's affidavit attested by the village panchayat to be treated as sufficient documentary evidence for banks and financial institutions to lend can brought about. Amendments allowing mortgage of agricultural land as collateral for housing loan can also be thought of.

e. *Rationalisation of Stamp Duty:* Rationalisation of Stamp duty and Registration charges and bring them down to a minimum token amount (0.5%) in the case of rural housing to encourage registration of mortgages and building up proper land records.

6.11 Unit cost of Assistance for the IAY House

Based on the suggestions of the research studies, consultations with State Governments in review meetings, visits of monitors and area officers, the Ministry of Rural Development has reached a conclusion that for the IAY scheme to be meaningful, there is an urgent need to increase the unit cost from the present level of Rs. 25000/- for plain areas and Rs. 27500/- for hilly areas. The Working Group also felt that for revision of the unit cost assistance for the IAY houses would improve the quality of construction. To assess the revised unit cost of an IAY house, the Ministry of Rural Development had requested the four agencies viz., HSMI (HUDCO), Auroville Earth Institute, BMTPC and CBRI to assess the present unit cost of an IAY house in different regions. The Auroville Earth Institute have given three models of an IAY house between the range of 90,000/- and 1.02 lakh. However, the HSMI in consultation with BMTPC, has intimated that the unit cost of a house with 25 – 30 sqm plinth area would be between Rs. 60000/- and 81900/- stating that proportionate amount may be reduced for a smaller plinth area. As per IAY guidelines, the IAY house should be of at least 20 sqm plinth area and hence its unit cost would range between Rs. 48000/- to Rs. 54000/-. Thus, after rounding off, assistance per unit for an IAY house can be taken as Rs. 45000/- for plain areas and Rs. 50000/- for hilly / difficult areas including those that have a consistent history of droughts, flooding, earthquakes, cyclones and other natural disasters. The Vulnerability Atlas developed by BMTPC should be updated and can be referred for delineation of difficult areas.

Chapter – 7

Other Interventions for Rural Housing

7.1 Introduction

Apart from measures relating to financing of rural housing the Working Group also discussed other measures to tackle housing shortage. The areas for action and possible interventions are listed in this chapter.

7.2 Improved targeting under the IAY Scheme

Even though the selection of beneficiaries is done through the Gram Sabhas, studies have revealed that the poorest among the BPL households are left out and non-BPL families manage to get selected for the IAY houses. To overcome this problem the Ministry of Rural Development has asked the States to prepare Permanent IAY Waitlists wherein beneficiaries who are to be assisted under IAY would be listed in order of ranking obtained by them during the BPL Survey. This list would be displayed at a commonly accessed location in the village such as the Panchayat Ghar. It is hoped that selection from the IAY waitlist would enable better targeting.

7.3 Plots and Homestead Lands for the Landless

A sizeable number of rural BPL families remain left out of IAY owing to their being landless. This is proposed to be addressed in the following manner:

- (a) State Governments will be encouraged to acquire land and convert it into homesteads for the SC / ST and other marginalised sections of the rural population.
- (b) State governments may develop aggregated data base of available land collected at the district and gram Panchayats. This would help in reallocation of land suitably to accommodate the demand for homestead lands.
- (c) State Governments will also be encouraged to regularise land on which kutchha houses have been built by landless BPL families.

- (d) The Panchayats will be encouraged to prepare an action plan highlighting the existing land use and to support alternative allocation pattern in favour of the BPL families.
- (e) In the context of habitat development, an initiative would be launched to earmark and allocate homestead lands to the absolutely landless.

7.4 Training, Technology Concerns and Capacity Building

The task of construction of safe, affordable and sustainable houses and habitats involves an effort to equip the local communities, delivery agents and government agencies with adequate knowledge and skills with regard to various alternative technologies and processes. The following steps are proposed to be taken up:

- (i) Skilled workers like masons, plumbers, carpenters and construction related artisans would be identified and trained through special, focused training programmes that would hone their working skills.
- (ii) Panchayats will be equipped with a knowledge bank of technological inputs for effective monitoring of habitat construction in their village.
- (iii) Women are major participants as labour, both skilled and unskilled in the house construction industry. Special skill upgradation programmes intended to impart both skills and organisational abilities so that they form SHGs for taking up rural habitat activity will be implemented.
- (iv) The Rural Building Centres spread all over the country will be rejuvenated and will be geared up so that the building technologies that they specialise in are employed for the rural habitat.
- (v) In addition, local enterprises for supply of cost-effective and environment friendly building materials and technologies would be promoted to play a greater role in rural habitat development with benefits to the local economy.
- (vi) R&D institutions in the country will prepare training manuals for courses in cost effective and environment friendly technologies for countrywide use. Such manuals will be prepared in all regional languages.

- (vii) Proven alternate technologies that are cost effective and environment friendly would be included in Standard specifications and Standard Schedule of Rates.
- (viii) Government programs and finance institutions will take up large scale awareness on their schemes including promotion of locally available cost effective, environment friendly technologies and materials.
- (ix) Cost effective, environment friendly house construction practices will be introduced as a subject for study in technical courses at the district level.
- (x) Rural housing would require greater participation of engineers, architects and masons and their services would have to be made available.

7.5 Emphasis on Environmental Conservation and Disaster Resistance

The following measures are proposed:

- (i) Encourage the use of locally available materials, installation of rainwater harvesting units and eco-friendly measures.
- (ii) Promote cost effective and energy saving technologies.
- (iii) Pay special attention to disaster prone areas which have been identified by the vulnerability atlas of the country at varying intensities through the incorporation of disaster resistant designs in house construction.
- (iv) Include disaster resistant practices in all habitat and housing schemes promoted by the government as well as Housing Financial Institutions.
- (v) Organize special training programmes for masons and Panchayat presidents for hands-on experience in the construction of disaster proof houses, cost effective and environment friendly technologies.
- (vi) Designate regional nodal agencies to provide advice on disaster resistant construction practices.

7.6 Role of Self-help Groups, NGOs and Panchayati Raj Institutions

7.6.1 The potential of self-help groups in rural housing needs to be recognized. This could be an important way of encouraging construction and ownership of houses on a group basis. As one of its many activities, self-help groups can take up housing, with the sites and

services coming under their common ownership. These self-help groups can convert themselves into housing societies in course of time.

7.6.2 NGOs have been most reluctant to enter the area of rural housing due to the cost and time factors involved in the construction of houses. However, NGOs can play the role of facilitator for all the services related to rural housing: provision of design and architecture, housing finance, and supervision of construction. Government can recognize the role of NGOs in promotion of building technology and housing finance, and provide them the necessary technical and financial support in their facilitation. NGOs can support Panchayati Raj Institutions to track demand and monitor implementation of schemes. A certain amount of budget can be allocated for supporting these groups in the rural housing sector.

7.6.3 Panchayati Raj Institutions are central to effective habitat development in rural areas. They must take a lead in micro-planning and prioritising habitat development needs. They should facilitate trained local groups and enterprises to take up implementation of housing and habitat schemes. The PRIs have a key role in tracking need and monitoring implementation at the local level.

7.7 Provision of Infrastructure and Planned Development

Housing programme is not linked to the provision of infrastructure in the village. The quality of life, therefore, does not improve despite the construction of new houses. There is a need to provide a minimum level of infrastructure such as internal road, drainage, water supply stand post, along with the provision of houses. There is need for micro-planning whereby housing and infrastructure could be combined together as part of a well thought of layout. Funds could also be made available for building the necessary infrastructure through the Special Component Plan or the Tribal sub-Plan or other resources. Such developments may happen incrementally, but micro-planning at the local level will ensure that all aspects of a rural habitat are covered. Coordination of schemes is necessary for 'total habitat development' at the implementation level. Flexibility to pool resources from various

schemes for prioritised infrastructure at village Panchayat and district levels should be encouraged.

7.8 Effective Monitoring and Access to Information

- (i) Several problems related to effective habitat & housing development can be addressed through consistent monitoring and transparent information flows.
- (ii) Besides monitoring and implementation of ongoing programmes, there is a need for information systems related to land, pricing and local resources for design of effective programmes.
- (iii) Complete information related to local building codes and norms especially in relation to sustainable building and safe construction should be made available at least till the Panchayat level in the local language.
- (iv) The Central Government could support the States to prepare State Housing and Habitat Policies giving a road map of actions pertaining to financial initiatives, supply of land, modifications of Acts / Bye Laws, technology promotion and infrastructure provision
- (v) Participatory monitoring at the local level with representation from the households, Panchayat government functionaries and civil society will be encouraged.
- (vi) Village and block level data could be combined at the state level to feed into the national level MIS that will help keep track of the progress.
- (vii) A high level Monitoring Committee at Central and State Government level could be set up to periodically review the implementation of Housing Policy and Housing Schemes.

No.M-12018/10/2006-RD
Planning Commission
(Rural Development Division)

Yojana Bhavan, Sansad Marg
New Delhi, August 31, 2006

ORDER

Subject: Setting up of a Working Group on Rural Housing for formulation of the Eleventh Five Year Plan.

It has been decided to set up a Working Group on Rural Housing for Formulation of the Eleventh Five Year Plan.

II. The composition of the Working Group will be as under:

1. Dr.(Mrs) Renuka Viswanathan Chairperson
Secretary
Ministry of Rural Development
Krishi Bhavan, New Delhi-110001
2. Shri Rajesh Bhatt Member
Executive Trustee
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3. Shri G. Vasudeo,
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Vivekananda Kendra
Natural Resources Development Project(NARDEP) Member
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4. Dr. Arun Kumar,
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Member
6. Shri S. Mitra,
General Secretary
15-N, Nelly Sengupt Sarani(Lindsay Street),
Forum of Scientists, Engineers and Technologists (FOSET)
New CMC Building,
5th Floor Kolkata-700087
Member
7. Shri D. Subrahmanyam,
E.D.,
Human Settlement Management Institute(HSMI)
HUDCO House
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New Delhi
Member
8. Shri S.Sridhar
Chairman & Managing Director
National Housing Bank Core A, 5th Floor,
India Habitat Centre,
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Tele: 24642722, Telefax: 24649030.
e-mail: nhbcmd@bol.nwr.in
Member
9. Shri R.Bandyopadhyay
Adviser(RD)
Planning Commission,
New Delhi-110001
Member

- | | | |
|-----|---|------------------|
| 10. | Shri Ram Lubhaya
Principal Secretary
Department of Rural Development
Government of Rajasthan
Jaipur-302004
Tel: No.2227654 | Member |
| 11. | Shri Aurobindo Behera
Principal Secretary (RD)
Govt. of Orissa
Bhubaneswar- 751001
Tele: 2536740
Mobile: 9437015078 | Member |
| 12. | Shri G.B.Panda
Adviser (Social Welfare)
Planning Commission,
New Delhi-110001 | Member |
| 13. | Ms. Nilam Sawhney
Joint Secretary
Ministry of Rural Development
Krishi Bhavan,
New Delhi-110001 | Member Secretary |

III The terms of reference of the Working Group are as follows.

1. To look into the aspect of 'Right to Shelter' as it exists in the Constitution, the obligations and entitlements of the citizens of India, with special emphasis on rural India.
2. Assessment of the existing rural housing schemes both at the Central and State levels.
3. To look into the issues of diversity, cost norms specially related to vulnerable areas (like the earthquake prone areas) and community specific issues related to rural housing.
4. Visualising and presenting a viable role for Government agencies in terms of facilitating the convergence of land, finance, technology and delivery systems so that access to shelter for the rural poor is simplified.
5. To facilitate the use of cost effective, environment friendly and energy saving technologies in the construction of dwelling units in rural areas.

6. Achieving a synthesis between R&D institutions, financial institutions and implementing agencies in the planning and development of rural housing.

7. To outline a National strategy/Road Map for handling the problem of rural shelterlessness and suggest administrative legal, fiscal and any other operational changes required so that the problem of rural shelterlessness can be overcome by the end of the Eleventh Five Year Plan Period.

IV. The Chairperson of the Working Group may set up sub-group/task forces, if necessary for undertaking in-depth studies.

V. The Working Group may co-opt non-official experts/ representatives of other agencies if required.

VI The expenditure of the official members of attending the meetings of the Working Group will be borne by the respective parent-Department/Ministry/Organisations as per the rules applicable to them. The expenditure regarding TA/DA of non-official Members will be borne by the Planning Commission according to the appropriate rules and practices.

VII. The Working Group will submit its final report to the Planning Commission by 30-11-2006. This date cannot be extended in view of the time schedule of the Eleventh Five Year Plan Formulation

Sd/-
(Rupinder Singh)
Deputy Secretary
31/8/2006

Copy to:

All Members of the Working Group.

Copy also to:

PS to Deputy Chairman, Planning Commission
PPS to MOS(Planning), Planning Commission
Sr. PPS to Member Secretary Planning Commission
PS to Member(BNY), Planning Commission
Head of all Divisions
All Officers of the Rural Development Division
Reception Officer, Planning Commission

**Statewise Housing Shortage in Rural Areas as per 2001 Census Report
and assessed by RGI**

Sl. No.	Name of the States / UT s	Unit in Nos.
		Housing Shortage in Rural Areas
1	ANDHRA PRADESH	1350282
2	ARUNACHAL PRADESH	105728
3	ASSAM	2241230
4	BIHAR	4210293
5	CHANDI GARH	1232
6	CHHATTIS GARH	115528
7	DELHI	7200
8	GOA	6422
9	GUJARAT	674354
10	HARYANA	55572
11	HIMACHAL PRADESH	15928
12	JAMMU AND KASHMIR	92923
13	JHARKHAND	105867
14	KARNATAKA	436638
15	KERALA	261347
16	MADHYA PRADESH	207744
17	MAHARASHTRA	612441
18	MANIPUR	69062
19	MEGHALAYA	148657
20	MIZORAM	30250
21	NAGALAND	97157
22	ORISSA	655617
23	PUNJAB	75374
24	RAJASTHAN	258634
25	SIKKIM	11944
26	TAMIL NADU	431010
27	TRIPURA	174835
28	UTTAR PRADESH	1324028
29	UTTARANCHAL	53521
30	WEST BENGAL	974479
31	ANDAMAN & NICOBAR ISLANDS	17890
32	DADAR & NAGAR HAVELI	1926
33	DAMAN AND DIU	787
34	LAKSHADWEEP	190
35	PONDICHERRY	7778
	TOTAL	14833868

Annexure – III

Plan-wise / Year-wise Physical and Financial Progress since inception to Date

Year	Allocation			Releases			Utilisation	Nos of Houses	
	Central	State Matching Share	Total	Central	State Matching Share	Total		Targetted	Constructed / Upgraded
1	2	3	4	5	6	7	8	9	10
1- SEVENTH FIVE YEAR PLAN (1985-86 TO 1989-90)									
1985-1986	10553.84	2632.58	13186.42	10553.84	2632.58	13186.42	5793.29	144080	51252
1986-1987	13214.80	3296.18	16510.98	13214.80	3296.18	16510.98	14918.30	158270	160197
1987-1988	13216.40	3296.58	16512.98	13216.40	3296.58	16512.98	23536.90	158270	169302
1988-1989	11178.02	2788.17	13966.19	11178.02	2788.17	13966.19	14964.86	134705	139192
1989-1990	12579.82	3138.51	15718.33	12579.82	3138.51	15718.33	18849.49	151323	186023
TOTAL	60742.88	15152.02	75894.90	60742.88	15152.02	75894.90	78062.84	746648	705966
2- ANNUAL PLAN (1990-91 AND 1991-92)									
1990-1991	12582.29	3141.80	15724.09	12582.29	3141.80	15724.09	21307.45	122016	181800
1991-1992	12582.29	3141.80	15724.09	12582.29	3141.80	15724.09	26300.80	120542	207299
TOTAL	25164.58	6283.60	31448.18	25164.58	6283.60	31448.18	47608.25	242558	389099
3- EIGHTH FIVE YEAR PLAN (1992-93 TO 1996-97)									
1992-1993	17921.10	4475.19	22396.29	17921.10	4475.19	22396.29	23883.51	117133	192585
1993-1994	25460.00	6352.30	31812.30	25460.00	6352.30	31812.30	48099.95	280363	372535
1994-1995	35025.66	8743.73	43769.39	35025.66	8743.73	43769.39	50038.38	353353	390482
1995-1996	109499.00	27335.33	136834.33	117077.76	29225.01	146302.77	116636.44	1147489	863889
1996-1997	114000.00	28460.61	142460.61	117936.22	29439.41	147375.63	138592.42	1123560	806290
TOTAL	301905.76	75367.16	377272.92	313420.74	78235.64	391656.38	377250.70	3021898	2625781
4- NINTH FIVE YEAR PLAN (1997-98 TO 2001-2002)									
1997-1998	115300.00	28785.26	144085.26	111711.14	27887.75	139598.89	159147.85	718326	770936
1998-1999	148400.00	37062.48	185462.48	147794.72	36925.02	184719.74	180388.45	987470	835770
1999-2000	160000.00	53235.00	213235.00	143838.56	47923.04	191761.60	190763.87	1271619	925679
2000-2001	161369.00	53691.34	215060.34	152193.66	50672.34	202866.00	218580.59	1244320	1170926
2001-2002	161800.00	53825.47	215625.47	186974.40	62237.56	249211.96	214955.51	1293753	1171081
TOTAL	746869.00	226599.55	973468.55	742512.48	225645.71	968158.19	963836.27	5515488	4874392
5-TENTH FIVE YEAR PLAN (2002-2003 TO 2006-2007)									
2002-2003	165640.00	55102.93	220742.93	162852.86	54245.15	217098.01	279496.46	1314431	1548641
2003-2004	187050.00	62225.02	249275.02	187107.78	62306.61	249414.39	258009.69	1484554	1361230
2004-2005	246067.00	81857.92	327924.92	288310.02	95941.83	384251.85	326208.64	1562356	1521305
2005-2006	273240.00	90893.91	364133.91	273822.58	91254.72	365077.30	365399.93	1441241	1551703
2006-2007	290753.00	96719.83	387472.83	143114.27	47685.19	190799.46	57863.47	1533498	255485
TOTAL	1162750.00	386799.61	1549549.61	1055207.51	351433.50	1406641.01	1286978.19	7336080	6238364
GRAND	2297432.22	710201.94	3007634.16	2197048.19	676750.47	2873798.66	2753736.25	16862672	14833602

TOTAL									
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Annexure – IV

**Statement showing year and state wise number of houses constructed
under the state run housing scheme**

Unit in Nos

Sl. No.	Name of the States	Year					Total Col 3 to 7
		2001-02	2002-03	2003-04	2004-05	2005-06	
1	2	3	4	5	6	7	8
1	ANDHRA PRADESH	138395	199066	231090	374122	434002	1376675
2	GUJRAT	40550	41054	19165	33187	40397	174353
3	HIMACHAL PRADESH		0	975	5198	4541	10714
4	JAMMU & KASHMIR	198	1279	1457	1097	641	4672
5	JHARKHAND	4906	4377	3241	620	971	14115
6	KARNATANA	200707	155429	144108	108692	93591	702527
7	KERALA	37786	45735	65154	56358	56174	261207
8	MAHARASHTRA	0	0	4200	4200		8400
9	PUNJAB	0	8440	210	6416		15066
10	SIKKIM	0	7250	6300	8550	950	23050
11	TAMIL NADU					90437	90437
12	UTTRANCHAL				631	5639	6270
13	PONDICHERRY			6527	4735	460	11722
	Total	422542	462630	482427	603806	727803	2699208