

**ESTIMATES COMMITTEE
(1972-73)**

(FIFTH LOK SABHA)

THIRTY-SEVENTH REPORT

**MINISTRY OF WORKS AND HOUSING
HOUSING**



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1973 | Chaitra, 1895 (Saka)

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(1972-73)

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INTRODUCTION

1. The Chairman, Estimates Committee having been authorised by the Committee to submit the Report on their behalf, present this Thirty-Seventh Report on the Ministry of Works and Housing—Housing.

2. The Committee took evidence of the representatives of the Ministry of Works and Housing, Ministry of Finance and Planning Commission on the 1st and 2nd December, 1972. The Committee wish to express their thanks to these officers for placing before them the material and information which they desired in connection with the examination of the subject and for giving evidence before the Committee.

3. The Committee also wish to express their thanks to Shri Ashish Bose of the Institute of Economic Growth, Shri Romeşh Thapar of India International Centre and Shri C. S. Gupte, Chief Planner, Town and Country Planning Organisation for furnishing memoranda to the Committee and also for giving evidence and making valuable suggestions.

4. The Committee also wish to express their thanks to all the associations and individuals who furnished memoranda on the subject to the Committee.

5. The Report was considered and adopted by the Committee on the 27th March, 1973.

6. A Statement giving the analysis of recommendations/conclusions contained in the Report is also appended to the Report (Appendix V).

NEW DELHI;
April, 18, 1973.
Chaitra 28, 1895 (Saka).

KAMAL NATH TEWARI,
Chairman,
Estimates Committee.

CHAPTER I

INTRODUCTORY

A. Magnitude of Housing Problem

Shelter is one of the basic necessities of life, next in importance only to food and deserves to be given appropriate priority in planned development. According to the Report of the Working Group on Housing for Fourth Plan submitted in 1968 "The next decade (1969-79) will witness an unprecedented pressure on our housing resources. Not only will it commence with a backlog of 837 lakh housing units, but also add about 100 lakh families to the effective demand. . . . The urban housing shortage amounted to 28 lakh units in 1951, 50 lakh units in 1956, 93 lakhs in 1961, 118 lakhs at the end of 1967. Another 25 lakh units are likely to be required to cover the new families during the next decade. Again, ten lakh units of the existing housing stock of 110 lakhs would need replacement during the next ten years. Thus in all there would be an estimated shortage of about 154 lakh units. Against this, our rate of new house construction has been extremely low. The private sector could roughly build about 2 lakh housing units per year. The social housing schemes of the Department of Works and Housing barely provided 4 lakh housing units during the last three Plans. This works out to about 3.5 units for 1000 persons per year.

Regarding rural housing, the overall shortage in rural areas was 565 lakh units in 1961, 696 lakhs at the end of December, 1967 and is expected to shoot up to 718 lakhs by April, 1969. Another 75 lakh housing units would be required to cover the anticipated increase in rural population. About 11 lakh housing units would be required to replace the deterioration of the existing housing stock in our villages. Thus about 800 lakh new units are required to be provided in the next decade. . . . Against this demand, the rate of construction of new houses in our rural areas has been extremely slow. The N.B.O. has estimated that the rate of annual construction of pucca houses (including houses under the social housing scheme) is about 0.44 units only for 1000 persons."

1.2. In a Working Paper prepared by the Ministry of Works and Housing, it has been stated that:—

"India today faces a gigantic housing problem. Housing situation is particularly alarming in our metropolitan and major cities. Worse still, our rate of housing starts

is lagging much behind the annual increase in housing deficit, not to speak of neutralising the backlog. Though a number of social housing schemes of ameliorative nature, have been in operation, from 1952 onwards they have barely added 6 lakh houses over two decades. Private house construction has been, by and large, confined to the "luxury" houses category and that too in metropolitan and major cities. Besides, it is now being increasingly recognised that mere formulation of a few schemes, with financial assistance for specific categories, may not go a long way, without a reorientation of policies, in closely allied fields like physical planning, legislation, taxation, industrial location and other fiscal and economic matters relating to housing."

1.3. Asked about his assessment of the importance and magnitude of the housing problem in the country, the representative of the Ministry of Works and Housing stated in his evidence before the Committee:—

"In the first place, housing has to be viewed in the large context of urban development and urban development itself has to be viewed in the context of planned development which we have adopted in this country. In the process of planning and in the process of economic activities that planned economic investment have generated, it has been seen that urbanisation has become a major problem. Between 1961 and 1971, we find that the urban population of India increased from 78 million to about 108 million, that is, about 50 per cent increase in the urban population. If we think of housing of this population, we have to look at it both in terms of the people who live in the rural areas as well as in the urban areas. But at the same time we cannot disassociate rural from the urban. They have their inter-action, one depends upon the other. Migration is one of the features of such inter-action. Because of unemployment, under-employment and lack of opportunities in the rural areas, more and more people are coming to the city. Now viewed in this context in the country, we have tried to assess, on the basis of some of the census data, the housing situation.... It is seen that pucca houses are not more than 22 per cent of the total existing houses."

The representative of the Ministry of Works and Housing added:—

"The next point is that of the total overall effort of housing. Urbanisation is increasing and therefore, it is time, that the housing get some recognition and the time is ripe because in the early times we had been giving more attention towards food and that objective seems to be nearer. Methods for accelerating this would be a package of practices or programmes that we have to take up both in the Central Government, State Governments and the Local-Self Governments."

1.4. The Committee note that the country today faces a gigantic housing problem which is becoming more and more acute as years roll by. The Committee note that the urban housing shortage was estimated to be 28 lakh units in 1951, 50 lakh units in 1956, 93 lakh in 1961, 118 lakh units at the end of 1967 and by 1979 there would be an estimated shortage of about 154 lakh units. Similarly in rural areas the overall shortage was estimated at 565 lakh units in 1961, 696 lakh units in 1967, 718 lakh in 1969 and is expected to be about 800 lakh units by 1979. Against this our rate of new house construction is extremely low, and is only about 3.5 units per one thousand persons in urban areas and 0.44 units for one thousand persons in rural areas. The private sector could roughly build about 2 lakh housing units per year and the Social Housing Schemes of the Ministry of Works and Housing have barely provided 4 lakh housing units during the last three plans.

1.5. The Committee feel that the steps taken so far have not been able to make any significant impact on the acute housing shortage. The accent on planned development and industrialisation being experienced by persons in lower income groups during the last two decades has resulted in greater population pressure in urban areas. Between 1961 and 1971, the urban population of the country has increased from 78 million to about 108 million, a significant increase of about 50 per cent.

1.6. It is evident that mere formulation of a few schemes with financial assistance as in the past would not be able to solve the problem. The problem calls for a reorientation of policies in closely allied fields like physical planning, legislation, taxation and other fiscal and economic matters relating to housing.

1.7. The Committee would like to point out that it is high time that the magnitude and importance of the housing problem in the country is realised in its correct perspective and concerted efforts made at all levels to solve the housing problem in the country. To

achieve this object and for accelerating the pace of housing construction in the country a package of practices and programmes will have to be taken up in an integrated and coordinated manner by the Central Government, State Governments and Local-Self Governments. The Committee have tried to indicate later in this Report the concrete steps which can be taken to achieve this objective.

B. Housing in the Five Year Plans

1.8. The following statement gives the Planwise financial provision and expenditure incurred under the various social housing schemes (except Jhuggi Jhopri Removal Scheme):—

| | (Rupees in Crores) | | | | | |
|-------------------|--------------------|--------------|--------|-----------------|--------------|--------|
| | Allocated | | | Drawn by States | | |
| | Plan funds | L.I.C. funds | Total | Plan funds | L.I.C. funds | Total |
| Ist Plan. | 37.50 | .. | 37.50 | 24.12 | .. | 24.12 |
| IIInd Plan | 84.00 | 17.14 | 101.14 | 72.61 | 17.14 | 89.75 |
| IIIrd Plan | 119.00 | 60.00 | 179.00 | 87.55 | 60.00 | 147.55 |
| 1966—69 (3 years) | 18.64 | 35.70 | 54.34 | 26.30 | 36.55 | 62.85 |
| | 259.14 | 112.84 | 371.98 | 210.58 | 113.69 | 324.27 |

It has been stated by the Ministry of Works and Housing: —

“With effect from the beginning of the Fourth Five Year Plan i.e., 1969-70, no funds are released to the State Governments for housing schemes by the Ministry. The entire Central assistance for all State Plan Schemes is given by the Ministry of Finance in the shape of “Block loans” and “Block Grants”. The State Governments themselves are competent to allocate the amounts to be spent under the different schemes according to their priorities and requirements.”

1.9. The information about actual/anticipated expenditure on housing schemes during the first three years of the Fourth Plan as reported by the State Governments/Union Territories is as under:—

| | (Rupees in Crores) | | | | |
|---------------------------|---------------------|--------------------|---------|---------------------------------|---------------------------|
| | 4th Plan Allocation | Actual expenditure | | Anticipated expenditure 1971-72 | Total expenditure 1969-72 |
| | | 1969-70 | 1970-71 | | |
| IV Plan (1969—72) 3 years | 124.53 | 18.50 | 24.22 | 31.37 | 74.09 |

It will be observed from the above figures that there has been a shortfall of expenditure to the extent of Rs. 12.38 crores in the First Plan, Rs. 11.39 during the Second Plan and Rs. 31.45 crores in the Third Five Year Plan period.

1.10. Asked to state the reason for this shortfall in expenditure, the Ministry of Works and Housing have stated in a written note:—

“Prior to Fourth Five Year Plan funds were released on the basis of actual expenditure incurred by the State Governments under each scheme. Detailed reasons for variations i.e., shortfall in expenditure can be given by the State Governments. Generally the housing scheme had received a lower priority than agriculture, irrigation etc., and therefore the utilisation of funds by the State Governments on Housing Schemes was less than expected. Lack of adequate implementation machinery also contributed to the low utilisation of funds. But it seems that because housing has received and continues to receive a low priority in the national scheme of planning, against the more pressing claims of food, agriculture, irrigation, industry and power etc., the State Governments might have diverted funds intended for housing to other heads of development considered by them to be deserving of a higher priority in the States.”

1.11. It has been stated in the Report of the Working Group on Housing for the Fourth Five Year Plan that:—

“Housing suffers from a very low priority in our national plans. As a result the outlay on social housing schemes during the first three Plans has been extremely low, (i.e., 1.6 per cent of Public Sector outlay in First Plan, 1.8 per cent in Second Plan and 1.6 per cent in Third Plan).....The lower priority to housing at the national level has multiple reactions. Apart from lower outlays, the allocations made to States under the schemes are diverted to other heads of development. Because of these diversions, the overall utilisation of funds in the Third Plan was 60 per cent in the States while in the Union territories (where diversions are impossible) it was more than 100 per cent. The lower priority is not conducive to the adequate exploitation of resources for housing purposes from the financial institutions in the private sector. The lower priority acts as an inhibitive factor in securing foreign assistance in the field of housing from the Asian

Development Bank etc. in view of these considerations, the Study Group strongly urges upon the Government to consider housing as a basic necessity and accord it on appropriate priority."

1.12. In a working paper prepared for a Seminar on "Evolution of a National Housing and Urban Development Policy" held in Delhi in April, 1972 it has been stated by the Ministry of Works and Housing:—

"The Social Housing Schemes have been assigned very low priority in the successive Five Year Plans; their allocation was barely 1.7 per cent of the total public sector outlays of the first three plans. In the Fourth Plan, it is less than even 1 per cent. The average annual allotment for the schemes has gradually tapered off from Rs. 25 crores in 1961-63 to Rs. 13 crores (almost half) in 1967-69. Further, these outlays have been even lesser than that of health and education, though neither health nor education can improve amidst poor shelter. In 1969, two developments further worsened the situation. First of all, these Housing schemes have been transferred to the State Sector and are financed by block loans and grants. Almost all States have made considerably low provisions for the schemes. Secondly, unlike previous years, L.I.C. funds, are now included in the State outlays, thereby reducing governmental allocations correspondingly."

1.13. Asked about the reasons for shortfall in the utilisation of funds meant for housing in the Five Year Plans, the representative of the Ministry of Works and Housing stated in his evidence before the Committee:—

"Reasons for the shortfall during the years are that the whole housing effort started in 1952 and it took sometime to pick up. In the second plan it was the Central Government which was scrutinising the schemes and the projects approving it from here and it was said that centralisation had led to difficulties in implementation. I cannot say the exact reasons for the shortfall but one or two reasons that were advanced is that there was too much of centralisation and then the lack of field organisation. The allocation itself will not give us the results unless we gear up two things in the field—we should know what type of organisation we should have and to what extent it should be geared. Once we are guaranteed that over five years

or a longer period funds of a specific order are coming, you can build up the organisation, the staff, the engineers and the architects and the more important than the requirement is that of getting adequate land for implementing all these programmes. Land is the key factor in all housing efforts... The second thing is the organisation i.e., staff etc., which should be assured and funds over a large period and then the material. Of course in the second plan, I may not be able to say that there was much material shortage but steel and other factors were inhibiting. But in the years 1966—69 we picked up and against allocation of 54.34 crores, 62 crores were spent."

Regarding the Fourth Five Year Plan, the representative of the Ministry of Works and Housing stated:—

"In the Fourth Five Year Plan, I do not think there would be a short-fall in the State Sector. Out of Rs. 124.53 crores, the expenditure in 69-70 was Rs. 18.50 crores, in 70-71 Rs. 24.22 crores and in 71-72 Rs. 31.37 crores. The expenditure from 69 to 72 was Rs. 74.09 crores. There are two more years 72-73 and 73-74. In 71-72, the expenditure was Rs. 31.37 crores. In the remaining two years, it will be double that amount.....There will be no shortfall in the Fourth Plan."

1.14. Asked about the allocation of funds for housing during the Fifth Plan, the representative of the Planning Commission stated in his evidence before the Committee "As advance action of the Fifth Plan, policy decisions have already been taken to meet the minimum needs in the field of housing such as preservation and improvement of existing stock, through environmental improvement in slum areas and mention has been made for the sites for the landless agricultural workers and for environmental improvement in villages. It is contemplated to allocate a much larger provision in the Fifth Plan than has been provided so far for social schemes, but the ultimate position will be determined by the final shape of the Fifth Plan."

1.15. The representative of the Ministry of Works and Housing stated "One thing that has emerged very clearly is that in the Fifth Plan, housing will certainly get a higher priority. That is a ray of hope. If against the Fourth Plan provisions, there is substantial increase, double or triple, it could be said that within the constraint, Government have allowed more for this."

1.16. The Committee regret that the shortfall in expenditure on social housing schemes in First Five Year Plan was Rs. 12.38 crores out of a total allocation of Rs. 37.50 crores. The position in the Second and Third Plans was no better. The Committee note that in the years 1966—69, the progress of housing in the Annual Plans picked up and the funds allocated for housing were fully utilised. For the Fourth Plan Rs. 74.09 crores representing 59.5 per cent of the total allocation has been utilised by 1971-72. While the Committee are glad that the financial allocations are now, by and large, being put to use, they have some apprehension that allocations to States for housing may partly get diverted to other heads of development. The Committee note that in the case of Union Territories where utilisation of funds has been hundred per cent, the funds for housing are not permitted to be diverted to other heads of development. The Committee would strongly urge that Government should persuade State Governments to agree that it would not be permissible for the funds earmarked for housing to be diverted for other development purposes.

1.17. The Committee note that housing has been given low priority in the Five Year Plans, as will be evident from allocation of financial resources for housing in the successive Five Year Plans. It would be recalled that outlay on social housing schemes in the First Plan was Rs. 37.50 crores, representing 1.6 per cent of the public sector outlay. In the Second Plan, it was Rs. 101.14 crores representing 1.8 per cent of the outlay and in the Third Plan, it was only Rs. 179.00 crores, representing 1.6 per cent of the public sector outlay. In the Fourth Plan, the outlay is Rs. 124.53 crores which represents only 1 per cent of the public sector outlay. The Committee note that these outlays have been lesser than that of health and education. The Committee feel that housing should receive a higher priority, for it is well-known that neither health nor education can improve if the persons are denied minimum shelter.

1.18. The Committee cannot but reach the inescapable conclusion that the importance of a basic necessity like housing has not been fully realised. The Committee feel that the lower priority to housing is not conducive to the adequate exploitation of resources for housing purposes from the financial institutions also. The Committee are of the view that housing should be considered as a basic necessity and accorded appropriate priority in our Five Year Plans.

C. Housing Policy

1.19. The recent Conference of State Ministers of Housing, Town Planning and Urban Development held in New Delhi in July, 1972 has recommended that "The national housing policy should be spelt

out in concrete terms both in its short and long-term perspectives and fitted into the Fifth Plan.”

1.20. An eminent journalist has also suggested in his evidence before the Committee:—

“I would like that housing policy statement should be passed by Parliament. You have an Industrial Policy statement. I believe that statement gives the kind of national perspective; I believe that you need that kind of statement in various fields today. There should be a resolution on housing policy. This will clear our thinking on our approach to our problems.”

1.21. Asked during evidence if a national housing policy has been spelt out, the representative of the Ministry of Works and Housing stated in his evidence before the Committee:—

“We are vitally concerned with the need for a housing policy. This was highlighted at the Conferences of the Ministers and at the Seminars also. The last Ministers’ Conference brought the need for a national policy into focus..... When the problem came up, the Housing Ministers’ Conference also resolved that there is need for evolving a long-term policy. The Ministry in consultation with the Planning Commission, went into the whole question and then, after mutual discussions, it was agreed that the Planning Commission, headed by a Member of the Planning Commission, would have a steering group and that steering group would evolve a national policy and also a long-term perspective..... As I understand it, the various experts are going into the various aspects. There are the Working Groups assisting the steering Group and the Steering Group has to spell out the policy after the Working Groups look into the various aspects and submit their reports to the Steering Group (all of them have not, though one or two might have done so) so the position is that today the national policy has not yet been spelt out and the Steering Group, as soon as it finalises its deliberations, would be able to spell out a national policy.”

1.22. The representative of the Planning Commission stated in his evidence before the Committee:—

“... you have already been made aware how complex the problem of both housing and urban development is. Keeping in view the various aspects of the problem, the

steering Group which has been set up by the Planning Commission, in consultation with the Ministries, has appointed further Working Groups under it to deal with various problems and aspects of these subjects. There are six Working Groups. . . . These Working Groups have been meeting off and on and we hope to get an integrated picture in a few months time when the Steering Group will apply its mind and some sort of policy would be attempted in view of the complexity of the problem. . . . It is hoped that the Steering Group appointed by the Planning Commission will be submitting its report to the Commission very soon for its consideration and incorporation in the Fifth Plan. The policy as such will be formally spelt out as part of the Fifth Plan after keeping in view the overall resources and commitments so involved."

1.23. In a background paper prepared for the Seminar on "Evolution of a National Housing and Urban Development Policy", the Ministry of Works and Housing has stated:—

"Many countries, both with federal and unitary forms of government, have enacted national housing laws, which, among other things, assure minimum shelter, lay down formula of financial assistance, and indicate broad housing targets. No such housing law exists in India, mainly because "Housing" does not figure in any of the three Legislative List of the Constitution. The first plan document endeavoured to prove that "Housing" being a residual subject, falls in the Union List. The Law Ministry, on the other hand, opined much later that 'Housing' is deemed to be in the State List, mainly because State enactments on allied subject alike town planning and slum clearance etc. have stood the test of time. The position still appears to be nebulous. Since housing is a basic human need, next to food and clothing, its inclusion in the Union List is being suggested in some quarters."

1.24. Asked to state the present position in the matter, the representative of the Ministry of Works and Housing stated in his evidence before the Committee:—

"Today, the housing does not figure in any of the three lists, the Union, the States and the Concurrent List in the Seventh Schedule of the Constitution, 'Land' figures under the State List. Entry 18 in the State List is, Land rights in or over land, land tenures including the relation of landlord and tenant and the collection of rents, transfer and alienation of agricultural land, land improvement and

agricultural lands, colonization. Housing does not appear in any of the three Lists. The Interpretation is that housing can at best be covered under Entry 20 of the Concurrent List, List III which is "Economic and Social Planning". The picture today is very hazy."

1.25. Asked whether housing should be included in Union or State List, the representative of the Ministry of Works and Housing stated:—

"My direct answer to the question is that housing should occur in the Concurrent List because, after all this is the joint responsibility of the State and the Central Government. Perhaps it is better to put it in the concurrent list rather than entirely in the State or entirely in the Central List."

1.26. Asked if the question has so far been examined by the Ministry or Planning Commission, the representative of the Ministry of Works and Housing stated:—

"We raised it at the Seminar and brought this to light earlier, when we attempted to deal with Housing on a more localistic basis, that if housing is to be backed by suitable legislative powers, one thinking was in terms of Central legislation on housing; but at that time the legal opinion was that we cannot have a Central housing authority or a Central housing law though in some countries of the World they achieved successful housing through Central legislation. They said there would be constitutional difficulties and that we cannot legislate a Central housing law because land is a State subject.

Another line of thinking was that the problem of evolving a national housing policy should be thrown up and that Constitutional amendments required, if any, should be considered. Therefore, this problem was thrown up at the Seminar; we thought this problem should now be highlighted and focussed and some specific mention should be made in one of the lists. This subject is also one of the items that are being further studied by the Group-I had mentioned. In the process of evolving a Plan this will be one of the aspects.

1.27. The Working Group on Housing for the Fourth Plan had recommended that "The Working Group note that almost all developed countries and many developing countries undertake/promote/support housing programmes through statutory enactments. In

India, no housing law has yet been introduced, though the need for the same is very pressing. The Government may, therefore, consider the desirability of enacting a Central housing law, as early as possible."

1.28. Asked to state if the Government have taken any steps for enacting a Central housing law as recommended by the Working Group, it has been stated by the Ministry of Works and Housing in a note submitted to the Committee in January, 1973:—

"Housing as such does not appear in any of the three legislative lists of the Seventh Schedule of the Constitution of India. With a view to determining the Central role in this field, the desirability of enacting a 'National Housing Law' was examined in consultation with the Ministry of Law in 1968 and 1969. It was held by the Ministry of Law that housing legislation was essentially a State subject on which a central legislation may not have a legal sanctity. In view of this, the matter was not pursued further."

1.29. It has further been stated by the Ministry of Works and Housing that:—

"Basically, the responsibility for providing housing facilities rests with the State Governments but a national Government in the Centre cannot ignore this important subject altogether.... For the present the role of Central Government is administrative in character and advisory and catalytic in nature. This does not seem to be enough. Sometimes the Government of India have to take a more positive role.... This Ministry are, therefore, of the opinion that housing should be included in the Concurrent List of the Seventh Schedule of the Constitution of India. It is proposed to initiate steps for inclusion of 'Housing' in the Concurrent List of the Seventh Schedule to the Constitution of India."

1.30. The Committee note that even after 25 years of independence and the implementation of several Five Year Plans, the national policy on housing has not been spelt out by Government so far. It is only now that a Steering Group of the Planning Commission has been asked to go into the question of spelling out national policy on housing. This is indicative of the fact that Government have not given all these years concerted attention to the important problem of housing.

1.31. The Committee understand that in several countries (both developed and developing) enactments on housing exist. These housing laws lay down at some length the programme for providing minimum shelter, the criteria and guidelines for extending financial assistance and the agencies for execution of the projects.

1.32. The Committee understand that it has not been possible to enact any housing law for the country so far as housing does not find a specific place in any of the three Lists in the Seventh Schedule of the Constitution and as admitted by the representative of the Ministry of Works and Housing in his evidence before the Committee the position in this behalf is still "hazy". The Committee however, understand that the Ministry of Works and Housing would like to propose that housing should be included in the Concurrent List in the Seventh Schedule of the Constitution.

1.33. The Committee recommend that Government should formulate the National Housing Policy before the end of the year so as to provide clear and firm guideline for the housing programme in the Fifth Plan and onwards.

1.34. The Committee have no doubt that in the light of the policy, Government would also take action to bring forward the necessary legislation on housing so as to make clear the role and functions of Central and State Governments and various other financial and executing agencies.

CHAPTER II

FINANCE FOR HOUSING

A. Housing finance in the private sector

The successive Five Year Plans have assigned much greater role to the private sector in the field of housing, as illustrated below:

| Plan | Public Outlays | Private Outlay |
|------------------|----------------|-----------------|
| First | Rs. 150 crores | Rs. 900 crores |
| Second | Rs. 320 crores | Rs. 1000 crores |
| Third | Rs. 500 crores | Rs. 1400 crores |
| Fourth | Rs. 700 crores | Rs. 2000 crores |

2.2. In a background paper prepared for the Seminar on "Evolution of a National Housing & Urban Development Policy," it has been stated by the Ministry of Works and Housing that:—

"While public outlays represent actual allotments, private investment is assumed one. The basis of such high assumptions has not been indicated in any Plan document. In any case, whatever may be the extent of private investment, it has not been of an organised nature as in industry, trade, or agriculture etc. Instead, it has tended to flow towards construction of owner-occupied houses or 'Luxury' type houses generally having a promise of attractive returns, in sprawling new suburbs of growing urban agglomerations. Similarly, private capital, in India, has been conspicuously absent in developing new townships or satellite towns where immediate returns are not very attractive. Thus, as far as objectives like housing of the masses or balanced regional economic growth are concerned, the contribution of the private sector has been negligible."

2.3. It has further been stated in another Working paper for the Seminar that:—

"Unlike several developed and some developing countries, there is no organised private capital in Housing and Real Estate in India. Private Capital has concentrated mainly on construction of individual houses, mostly of 'luxury' type either for owner-occupation or for rental purposes, and that too in metropolitan and major cities where returns are attractive. It has built little for renting out to lower income families. The inhibition of the private capital is said to be partly due to regressive rent controls which has not been made progressive, with changing times."

Still further private capital, unlike its counter-part in the U.S.A., has not invested at all in the development of new townships or satellite towns.

Finally, majority of low-income families cannot, due to low saving potential, save enough, to build even a small house from their own resources. Here again, unlike many other advanced countries, neither financial institutions nor government have floated any scheme linking shelter with small savings and deferred payment system."

2.4. The Working Group on Housing for the 4th Plan have stated in their Report that:—

"A principle of new housing strategy should be through maximum exploitation of the resources of the private sector for housing, particularly for the low-income brackets... In view of the meagre public and institutional finances available for housing, it is necessary to attract private sector to invest in new house construction for low income group in big and small cities and also in rural areas covered by new irrigation programmes which are having large scale immigration from neighbouring districts. To encourage them to invest in housing, they will have to be given definite incentives through relaxation in rent control acts (of the States) through tax laws (of the Centre, states and local bodies) and through other fiscal and administrative measures."

2.5. Asked about investment in housing for low income group, an eminent economist stated in his evidence before the Committee:—

"Economics is very important, who will invest money on housing? If you put money in Unit Trust, you get 8 per cent, some private companies give you 12 per cent. But if you construct a house, you do not get even ten per cent... No investment is being made in a big way in the private sector. Government is right when they say that private sector is not coming forward. This is because it is not economically rewarding for them except investment in luxury houses, which will now be curbed."

2.6. Asked how private capital could be attracted to invest in housing, the witness replied:—

"In view of the prevailing insecurity, I do not think the private industrialists or capitalists or investors will really be attracted to this. If you ask me I should think serious efforts should be made to explore the possibility of drawing black money for housing programmes. The Government

must guarantee that if black money is invested in housing bonds, no questions will be asked, and the limit on the housing bonds should be raised. This money should specifically be earmarked for housing low income groups..... This is not for all times. Otherwise people will go on converting white money into black money. We may say that for such and such period we welcome investment in housing bonds which are specifically earmarked for low income housing."

2.7. An eminent journalist in his evidence before the Committee stated about private sector investment in housing:—

"I do not think that the private sector is going to come into these areas... I believe there are various ways of raising the resources for mass housing. For example, I think as a fairly intelligent student of economics, that we can raise resources by having Government bonds, something like gold for gold bonds and we can call them housing bonds. You can say that you will give 4-1/2 or 5 per cent as interest. By that you can bring out the black money. Otherwise you will never be able to bring out the black money into the open. It is already circulating and it is increasing every day."

2.8. Asked if it will be advisable to attract black money to be invested in housing, the representative of the Town and Country Planning Organisation stated before the Committee:—

"I personally feel that it is a very sound idea to attract private entrepreneurs to put unaccounted money into houses provided there are two or three safeguards. I agree with you that Government need not ask him the source. He should put his money for construction of houses for low and middle income groups. The built houses should pass on to the Government which will look after rent collections, allotments, etc. Government will of course safeguard a reasonable return. Supposing he is expecting a ten per cent return over a period of 20 years or whatever period is agreed upon, it will be guaranteed by the Government to that man. We shall by this means be able to achieve some housing for a category of people who have no houses, at present and we shall also be utilising idle money. I think it should work."

2.9. Asked if the question of utilising black money for housing has been considered by the Government, the representative of the Ministry of Works and Housing stated:—

“This has come up more than once in discussions but since all aspects of this question has been remitted to the Wanchoo Committee, the Wanchoo Committee is seized of the totality of the problem and the methods of tackling whether it could be viewed in isolation for housing or it has to be viewed in the context of getting this black money out of those persons. As I said, any suggestion primarily looked from the housing point of view, would certainly be a point for us.”

2.10. The Committee note that although the Private Sector has been assigned a major role in the matter of housing in the Five Year Plans, the investment of the Private Sector in the field of housing has not been of an organised nature and has tended to flow towards construction of owner occupied houses or luxury type housing generally having a promise of attractive returns and that too in major Urban and Metropolitan cities only with the result that as far as objectives like housing of the masses or planned regional economic growth are concerned, the contribution of the Private Sector has been negligible. The Committee understand that the Private Sector has not been coming forward for the construction of housing for the common people, as it is not economically rewarding for them. The Committee further note that the saving potential of the common man in the country is so low that he cannot invest sufficient funds for housing and neither the Government nor the financial institutions in the country have floated any major scheme to provide finances for houses construction to the common man at reasonable terms linking shelter with small savings and deferred payment system. The Committee feel that if Government intend to utilise the Private Sector in the field of house construction for the common man they will have to influence the direction of investment by Private Sector in the field of housing by making it attractive for them to invest in low cost housing.

2.11. The Committee recommend that the Government should encourage people to construct their own houses by making land available to them at reasonable cost, by providing easy credit facilities through the medium of financial institutions like banks and L.I.C. and by making available building material in time at reasonable price and sufficient quantity.

2.12. It has been stated before the Committee by knowledgeable sources that for the solution of housing problem the possibility of

drawing black-money for housing programme might be explored by the Government and for this purpose Government may permit investments in housing bonds which are specifically earmarked for low cost housing. The Committee are aware that the question of black-money is a complex one and is fraught with serious implications. In view of the urgency of the problem of finding funds for the housing programme in the country, the Committee would like Government to go into the matter in all its aspects.

B. L.I.C. Funds for Housing

2.13. The Working Group on Housing for the Fourth Five Year Plan have stated in their Report that:—

“Insurance funds are ideally suited for long-term programmes like housing. The savings from premia etc., have some contractual embargoes as only limited funds can be withdrawn from these at a particular time. Though in developing countries like India, life insurance is at initial stages, it has a great potential and its assets are likely to rise steadily. However the LIC's contribution to social housing commenced from the year 1959-60. In the Second Five Year Plan (its last two years only) Rs. 17.15 crores were given for housing schemes. During the Third Plan, a total sum of Rs. 60 crores was drawn by the States from the L.I.C. Similarly, in the three years ending 1968-69, the L.I.C.'s contribution has been at the uniform figure of Rs. 12 crores per annum. Thus, till now the L.I.C. has advanced a sum of Rs. 113.15 crores, which works out to 13.31 per cent of its investible funds amounting to Rs. 1052 crores (in 1966-67). In addition, the L.I.C. have contributed some amount to Housing Finance Societies and on mortgages of house-properties etc. The overall investment of the L.I.C. on social housing schemes and other housing programmes, therefore, works out to about 15 per cent of its investible funds against the average of about 40 per cent in many developed countries. In India too, the L.I.C.'s contribution needs to be stepped up to at least Rs. 120 crores in the Fourth Five Year Plan. As a matter of fact, the L.I.C. was earlier agreeable to step up its contribution for social housing schemes, gradually every year, but has not done so due to various reasons. Investment in housing would, incidentally, be in accordance with the preamble of nationalisation which laid down that the L.I.C. would invest its funds in ventures which further the social advancement of the country.”

2.14. Asked if L.I.C. funds could not be utilised for housing purposes, an eminent economist stated in his evidence before the Committee:—

“They are being utilised. I understand that about 14 per cent of the L.I.C. funds are being utilised for housing schemes. But L.I.C. rules and regulations are very complicated. In the last seminar, the Minister of State for Housing himself said that except mortgaging your wife, you have to mortgage everything to get an L.I.C. loan. They are extremely difficult procedures. My feeling is that they should liberalise the rules. The L.I.C. should be used to help the poor. But the present policy is that it is used to help the rich and higher paid officials and people who can afford to get loans to the extent of Rs. 50,000 or Rs. 60,000 get loan from the L.I.C. We must provide schemes to help the poorer sections of people.”

2.15. Asked about the investment of Life Insurance Corporation in Housing, the representative of the Ministry of Finance stated:—

“The total amount of investment by the L.I.C. in the house building activities up to 1972 was of the order of 360 crores and the amount outstanding as on 31st March, 1972 was of the order of 274 crores. Now if these figures are compared with the figures five years earlier, the amount outstanding was of the order of 158 crores. In terms of percentages, in 1968 the total investment was of the order of 12.10 per cent of the consolidated fund of 1300 crores and on 31st March, 1972 the outstanding amount was of the order of 13.06 per cent of the increased consolidated fund which was of the order of 2100 crores. So gradually the investments of the L.I.C. in the house building activities has been increasing year after year.”

2.16. Asked if L.I.C. investment in housing could be further increased, the representative of the Ministry of Finance added:—

“Gradually, the investment has been increasing substantially earlier, it was 12 per cent. If you take the total investment on new social oriented schemes including housing, it is of the order of 26 per cent—13 per cent on housing; 10.5 per cent on electricity and 2.6 per cent on rural water supply and sewerage schemes. We feel that investment merely on housing would not solve the problem of housing. We have to co-ordinate all these things. We are fully alive to the situation that L.I.C. investments to the socially oriented

schemes has to increase year after year. The total investment has shown a very rapid increase in the last year."

2.17. Asked if the procedure of L.I.C. for grant of loans for housing was cumbersome and needs to be improved, the representative of the Life Insurance Corporation stated before the Committee:—

"We have decentralised the procedure and we are now receiving applications at more than 500 centres and necessary know-how is also being imparted to people (officers) on the spot so that the applicants who come to us fill in the applications and those are passed on to the Divisional Officers for sanction. Of late, the number of centres has increased and there may have been some cases where the applications may not have come but the procedure is being streamlined and I am sure in course of time this point is not likely to arise."

2.18. Asked if the question of liberalising of rules in this regard has been examined, the representative of the Ministry of Finance stated:—

"The rules have been liberalised. Maximum is Rs. 1 lakh and the minimum is Rs. 10,000. The persons who want to build modest houses they may get the funds. The second step which has been taken in this direction is that we have opened a large number of centres. In the last 5 years, the centres have almost doubled and today we have 516 centres in the country to cater to the needs of the people under Own Your House Scheme or under the mortgage scheme. The rules are being gradually looked into."

2.19. Asked if a person in rural area supplying for a loan of Rs. 5000 for housing will be sanctioned the loan, the representative of the Ministry of Finance replied, "We have not looked into this aspect. Lowering the level of loan for house building advance will be looked into."

2.20. Asked to state the amount of gross investments made by the L.I.C. pertaining to its Life business and the amount of investment made on housing, the Committee in a written note submitted to the Committee has been informed as under:—

(In crores of rupees)

| Financial Years | Total Investment | Investment on housing | Percentage of (3) to(2) |
|-------------------|------------------|-----------------------|-------------------------|
| 1969-70 | 231·63 | 35·16 | 15·18% |
| 1970-71 | 278·31 | 38·91 | 13·98% |
| 1971-72 | 309·12 | 52·60 | 17·02% |

2.21. Asked to state the number of application forms received during these years giving break-up of rural and urban areas and number of applications disposed of as well as number of pending applications on 31st March, 1971 and 31st March, 1972, the Committee have been informed in a written note as under:—

“A statement showing the number of applications for housing loans under the various Mortgage Loan Schemes received by the L.I.C. during 1970-71 and 1971-72 as also the number of applications disposed of and the number of applications pending as on 31st March, 1972 is as follows:

| Scheme | No. of Applications received | No. of Applications disposed of | No. of Applications pending on 31st March |
|---|------------------------------|---------------------------------|---|
| M—I (Property Mortgage) | | | |
| 1970-71 | 809 | 512 | 297 |
| 1971-72 | 2466 | 894 | 1572 |
| OYH (Own Your House) | | | |
| 1970-71 | 2401 | 1801 | 597 |
| 1971-72 | 5211 | 2233 | 2978 |
| IEH (L.I.C. Individual Employees' Housing) | | | |
| 1970-71 | 202 | 159 | 43 |
| 1971-72 | 600 | 293 | 307 |

It is not possible to give a break-up of the applications received according to the rural and urban areas as the Corporation has not maintained such statistics separately.”

2.22. Asked what steps have been taken by L.I.C. to streamline the procedure regarding disposal of applications for housing loans, the Committee have been informed in a written note that:—

“The L.I.C. has geared up its machinery and taken various measures to ensure prompt action in the sanction and disbursement of loan. With a view to streamlining the procedure, specific guidelines for complete briefing of the prospective applicants by all the centres of the L.I.C. have been laid down *vide* circulars No.231 dated 10th December, 1970 and No. 263 dated 15th September, 1971. Another Circular No. 298 dated 8th January, 1973 prescribing time limits for various jobs is under issue. Teams of officers working in the Mortgage Department at the Central Office were and are also sent out to various Zonal Divisional and Branch Officers, mainly with a view to educating the staff there in the work of proper and speedy appraisal and processing of proposals for mortgage loans.”

2.23. The Committee note that the Life Insurance Corporation is investing about 15 per cent of its investible funds in the housing schemes and together with investment on electricity, rural Water Supply and sewerage schemes, the investment of Life Insurance Corporation's funds to the socially oriented schemes come to about 26 per cent of the investible funds and the investment of Life Insurance Corporation on these schemes is increasing every year. The Committee further note that according to the Working Group on housing for the Fourth Five Year Plan institutions similar to Life Insurance Corporation in developed countries are investing about 40 per cent of their investible funds on housing. Keeping in view the pressing need for funds for housing and the preamble of the Life Insurance Corporation Act that funds would be invested in ventures which further the social advancement of the country, the Committee recommend that the Corporation should increase its investment in housing and allied fields.

2.24. The Committee note from the information supplied by the Life Insurance Corporation that there has been perceptible increase in the number of applications for grant of loan under various schemes, particularly under 'Property Mortgage' and 'Own Your House' Schemes in 1971-72 as compared to 1970-71. While the Committee welcome this increase of more than hundred per cent, they find that the number of applications disposed of during the period has not correspondingly risen. In fact, the number of applications pending on 31st March, 1972 were more than 50 per cent of the number of applications received. The Committee need hardly stress that such applications should be disposed of most expeditiously in the interest of expediting construction of houses. The Committee note that the Life Insurance Corporation have recently taken some action to prescribe time limits for completion of various stages for processing of applications. The Committee also note that the Life Insurance Corporation have also taken steps to send round teams of officers with a view to educating the staff working in the field in the speedy processing and finalisation of applications. The Committee hope that these instructions would be implemented so as to ensure timely disposal of applications.

2.25. The Committee would also urge that where an application has not been filled properly or some information is lacking, the applicant may be precisely advised in the matter and given guidance where necessary to facilitate completion of the application.

2.26. The Committee would also suggest that senior officers dealing with the loan applications may set aside a specified time during which the applicants whose applications have been pending for dis-

posal beyond the prescribed time limit may see them so that the matters are got expedited. In view of the fact that more than 50 per cent of the applications have been shown as outstanding on 31st March, 1972, the Committee would like the headquarters and the zonal officers of the Life Insurance Corporation to keep a special watch on the disposal of pending applications by prescribing suitable returns and issue of suitable instructions after due consideration.

C. Role of Nationalised Banks in Housing

2.27. An eminent economist has stated in his Memorandum to the Committee:—

“But as far as the housing situation in the country as a whole is concerned, we must accept the fact that it is the private sector which has to solve the housing problem. In other words, people must build their houses through the mechanism of institutional finance. The nationalised banks must play a more effective role in this regard.”

2.28. Asked to elaborate, he stated in his evidence before the Committee:—

“I have myself referred to this problem that the nationalised banks should introduce this hire purchase system. It is a paradox that in India, one of the poorest countries in the world, a person has to invest all his life time's savings to build a house for himself, whereas in the most developed countries, a youngman goes to the financial institutions and gets a loan to buy the house. He pays the loan with interest in 15 to 25 years through monthly instalments. Why don't you introduce this system in India. I submit this is the only way to minimise the financial burden on the people.....”

2.29. The Working Group on Housing for the Fourth Five Year Plan have stated in their Report that:—

“Besides, financial institutions are by and large, absent from the housing field in India, though in the other developed and developing countries, they are actively participating by investing in it. The usual plea, for example, in the case of commercial banks is that their deposits are of short term nature and, therefore, cannot be invested on long term basis in assets like house properties. It is, however, felt that all deposits with the commercial banks are not of

short term nature and all are not repayable on demand. We also do not favour major participation by the banks in housing but would like to stress that as in other countries, banks should give stimulus to investment in housing by other financial institutions like trusts, insurance companies etc. The Working Group would like the matter to be fully examined by a Commission/Committee of Enquiry."

2.30. The Banking Commission, in their Report submitted in 1972 has recommended in respect of urban cooperative banks that:—

"The Commission further recommends that in order to ensure that the productive and distributive activities are adequately financed by such banks...lending for long term purposes, such as house construction, should be allowed subject to a ceiling that may be specified by the Reserve Bank of India regarding the proportion of such lending to the total loans given by the bank."

2.31. The Commission has further recommended that:—

"The Commission recommends that the following two-tier system should be created for housing finance in India. At the bottom, i.e., district or regional level, there should be local housing finance institutions sponsored by the local community with the active encouragement of an apex central financing institution. Their primary function would be to attract savings linked to the provisions of credit for construction or purchase of houses. The object of the apex institution will be to encourage, supervise and provide temporary finance to the local or regional institutions. The Group was of the view that the existing Housing and Urban Development Corporation can perform the functions of the proposed central housing finance institutions. The Commission considers that the apex institution should be a purely financial institution. The existing Housing and Urban Development Corporation is expected not only to finance housing but also to engage in building and in manufacturing building material. If this Corporation is to be given the task, it should shed all its non-financial functions and remain as a purely financing institution. Alternatively, the apex institution should be sponsored by the Reserve Bank. The Reserve Bank may consider creating a special housing fund to assist the proposed housing finance system.....Commercial banks may give short and medium

term credit to the builders in order to enable them to undertake mass housing construction programmes. Prospective purchasers of houses may borrow from the specialised institutions to purchase houses from the builders, who in turn, can repay their loans to commercial banks. To the extent administrative and personnel resources permit, commercial banks may also give credit to individuals desiring to own or construct houses. The apex co-operative societies as well as commercial banks extending housing loans should be able to obtain refinance from the proposed apex housing finance institutions."

2.32. Asked about the role of nationalised banks in housing finance, the representative of the Ministry of Finance stated before the Committee:—

"Traditionally banks have been reluctant to lend directly for housing; the reluctance arises from the nature of the operation of the bank itself. They are reluctant to commit themselves on long-term basis. . . . So in 1969, when we set up the Banking Commission, we asked them to go into the question and they have come up with certain recommendation. The basic reason why the Banks do not spend directly is that they do not want to keep their funds locked. That was the position in the early fifties but now, progressively, they are going in more for term loans for industrial advances because they can have the loans refinanced through the Apex Institutions which is today the Industrial Development Bank of India. In other words, the point is that unless there is an institution which can refinance advance for housing given by banks, the banks become reluctant. This is the basic consideration why the loans have not been substantial."

2.33. The representative of the Ministry of Finance further stated:—

"The Commission suggests that there should be a specific financial institutions for housing finance. . . . If we have a specific financial institutions which accepts savings and also lends out for housing, it can command much greater savings than are available for housing today. In other words, if an individual knows that he is saving in a specialised institution for the specific purpose of housing and that the institution will make available certain sum of housing

purposes, the volume of savings will probably increase. Based on these considerations, the Commission has suggested that we must have an apex financial institution. The recommendation, however, is not specific. It says that HUDCO could be developed into a financial institution. . . . If Government finds it difficult to convert HUDCO then it should have a specialised financial institution under the aegis of the Reserve Bank of India. This recommendation of the Commission, we are processing in consultation with the Reserve Bank of India and we would also in turn consult the Ministry of Housing."

2.34. The Committee note that banks are at present not making any significant contribution in financing of housing programmes in the country and the main reason for this is the absence of refinancing and guarantee facilities for the loans sanctioned for housing. The Committee further note that the Banking Commission which had gone into the question of housing finance by banks in their Report submitted in 1972 have recommended in respect of urban co-operative banks that lending for long-term purposes such as house construction should be allowed subject to a ceiling that may be specified by the Reserve Bank of India and that an apex financing institution to attract savings linked to the provision for construction or purchase of house be set up. The Commission has further recommended that either the Housing and Urban Development Corporation should play the role of this apex housing organisation in which case it should shed its non-financial functions or alternatively an apex institution should be sponsored by the Reserve Bank. The Commission has further recommended that Commercial banks may give short and medium-term credit to the builders in order to enable them to undertake mass housing construction programme and to the extent administrative and personnel resources permit, commercial banks may also give credit to individuals desiring to own or construct houses.

2.35. The Committee note that the recommendations of the Banking Commission which were given in 1972 are still under the consideration of Government in consultation with the Reserve Bank of India. The Committee cannot but strongly stress the need for an early decision in the matter so that loans are available to working persons as in other countries to finance purchase/construction of a house during his working career rather than invest his life long savings to construct a house nearabout the time of his retirement. The Committee feel that in creating a suitable agency for making available for finances, it should be ensured that these become available to persons who are not covered by other schemes. The Com-

mitted feel that co-operative banks and other nationalised banks, who have now opened branches in most industrial and agricultural areas could play a significant role in meeting the genuine requirements of working persons who are desirous of constructing a house and pay for it in easy instalments.

D. Other Resources for Housing Finance

(1) *Employees' Provident Fund*

2.36. The Working Group on Housing for the Fourth Five Year Plan had stated that:—

“(a) These funds, like those of the L.I.C. are ideally suited for long term investment in house construction. The total accumulation under these funds and the investment stood at Rs. 1135.56 crores and Rs. 762.93 crores respectively, on the 30th April, 1968. A sum of Rs. 138 crores approximately would be available for investment per annum. It has been recently decided that these funds will be invested as under, during the half year from 1st September, 1968 to the 31st March, 1969:—

(i) Central Government securities—65 per cent.

(ii) State Government securities and other Government guaranteed securities—35 per cent.

(b) The above pattern of investment is applicable to all establishment (exempted and unexempted) under the Employees' Provident Funds Act, 1952.

However, during the above six months, only Rs. 42 crores would be available for investment from the unexempted establishments for the following purposes:—

(i) Central Government securities—Rs. 27 crores.

(ii) State Government securities—Rs. 10 crores.

(iii) Government guaranteed securities (including loans for Housing Boards)—Rs. 5 crores.

The Reserve Bank has been requested to make investment on behalf of the Funds in the securities of the Central and the State Governments.

As regards investment in Government guaranteed securities, the same will be done directly by the Central E.P.F. organisation. The exempted establishments will similarly make direct investments according to the pattern referred to in (a) above.

- (c) It will now be possible to invest these funds into Government guaranteed securities (including loans for the State Housing Boards) upto a maximum of Rs. 5 crores excluding investments to be made directly by exempted establishments upto March, 1969, provided that the rate of interest is not less than 6 per cent. Since this rate is, in fact, half per cent less than that of the L.I.C. loans for housing schemes, the Working Group urges upon the States which have Housing Boards to draw as much of E.P. Funds as possible. The remaining States may recommend elsewhere, take early action to set up such Boards."

2.37. Asked if efforts have been made to induce State Housing Boards to draw as much amount out of Employees' Provident Fund as possible, the representative of the Ministry of Works and Housing stated in his evidence before the Committee:—

"About the Employees' Provident Fund, this Ministry has taken up the question of contribution to the State Housing Boards by the Employees Provident Fund more than once. As a result of our efforts, in 1969-70, the Housing Boards have received Rs. 3,78,80,000 by way of contribution from the Employees Provident fund and in 1970-71, this has fallen down to Rs. 1,11,12,000 only upto December, 1970. We have subsequently taken up this question again with the Employees' Provident Fund Commissioner and the Ministry of Labour who administer this. They have said that while their commitments have increased they would invest their funds as advised by the Committee for Employees Provident Fund. . . . Our effort is that, where Housing Boards come up with debentures and where the Employees' Provident Fund have investible funds, we try to improve upon it by saying that these Housing Boards say that they would build for those who are insured in the Employees' Provident Fund, then at least to that extent, the E.P.F. could go into Housing Board debentures. That will be linking up with the savings of the employees."

2.38. In a written note submitted to the Committee in January, 1973 the Ministry of Works and Housing have stated:—

"The State Governments were advised in the year 1968 that the State Housing Boards should be allowed to float debentures with a view to augmenting their resources for housing. The enactments of almost all the State Housing Boards empower them to raise such debentures. These debentures could be subscribed from the accumulations of the Em-

ployees' Provident Funds according to the pattern of investment approved by the Government of India, Ministry of Labour, Employment and Rehabilitation.

The Working Group on Housing set up for formulation of proposals for the Fourth Five Year Plan, took up in 1968, the question of increasing the investment of Employees Provident Fund moneys for housing which will greatly benefit the industrial workers for whose welfare the Employees' Provident Fund is intended. As a result of efforts made by this Ministry, the matter was considered by the Ministries of Labour, Employment and Rehabilitation and Finance and the contribution from the fund for housing has been increased though there are variations in the sums contributed annually.

The investment of Employees' Provident Fund moneys in the various State Housing Boards during the year 1969-70 and 1970-71 is reported to be as under:—

| Name of the State Housing Board. | Investment during | |
|----------------------------------|---------------------------------|-------------|
| | 1969-70 as on December, 1970 | 1970-71 |
| | Rs. | Rs. |
| 1. Gujarat Housing Board. | 84,50,000 | 34,00,000 |
| 2. Maharashtra Housing Board. | 31,75,000 | 15,09,000 |
| 3. Mysore Housing Board. | 1,91,85,000 | 16,10,000 |
| 4. Tamil Nadu Housing Board. | 70,70,000 | 20,93,000 |
| 5. Delhi (D.D.A.): | | 25,00,000 |
| | 3,78,80,000 | 1,11,12,000 |

Investment made during the year 1971-72 is not available in the Ministry."

2.39. The Committee are constrained to learn that the investment of Employees' Provident Fund money in the bonds floated by Housing Boards has decreased to Rs. 1,11,12,000 upto December, 1970 as compared to Rs. 3,78,80,000 in 1969-70. The Committee have not been furnished the information for 1971-72. If the above is an indication of the trend, the Committee would like Government urgently to review the position so as to persuade the authorities concerned with the Employees' Provident Fund to step up their investments in purchase of bonds issued by the Housing Boards, particularly in respect of schemes which would be providing housing for working class. The Committee would like to be informed of the action taken in the matter.

(ii) Assistance from International Organisation

2.40. The Report of the Working Group for the Fourth Five Year Plan has stated that:—

“There is, however, a great scope for investment of foreign capital for promotion of house construction in India. Cheap foreign loans, with a moratorium of ten years can, for example, be immensely helpful in the advance acquisition of lands in major cities and new townships. Similarly, international and foreign aid can be helpful for providing cheap building materials and improving their durability, through the establishment of a few pilot and demonstration projects for industrialised methods of construction. One such project proposal entitled ‘A pilot and demonstration project for modernisation of the building industry with a view to reduce construction costs’ has already been submitted by the Government of India to the U.N. Development Programme for obtaining assistance equivalent to 20 per cent of the estimated cost (i.e. \$ 2.02 million) from the U.N. Special Fund. The Working Group, however, feels that there is scope for more of such plants in India. Again, there is great scope for assistance by the international and foreign agencies in introducing and promoting housing finance institutions in this country. Such aid could be in the shape of ‘seed’ capital of the institutions as well as for the training of Indian personnel in the complex subject of house mortgage insurance and savings/loans associations. Foreign aid can also be helpful in the introduction of self-help housing schemes whereby a portion of food surpluses of the developed nations can be used, as was done in the case of Mali and Morocco, for payment of wages in kind.”

2.41. About international assistance in the field of housing, the representative of the Ministry of Works and Housing stated during evidence before the Committee:—

“For equipment loan from international organisation, we have been exploring this possibility of the World Bank coming into the housing sector. The World Bank is the only international agency which works under the aegis of the United Nations Organisation and the Urban Development Section in the World Bank has taken some interest of late. There is a booklet in which World Bank’s policy for Urban Development has been laid down. We have approached

them. Review Team came. We have gone into the question of the areas in which the World Bank would be interested. In this booklet they have given their programme upto the year 1978 and have also indicated the number of projects also. With that the possibility of World Bank assistance being taken by the Economic Affairs Division of the Ministry of Finance is there."

2.42. The representative of the HUDCO added:--

"The Appraisal Team is in Calcutta at the moment. They are considering a loan for Calcutta. They go not by cities but by the nature of project."

2.43. It has been stated in the publication "Urbanization—Sector Working Paper" issued by the World Bank:—

"While direct lending for housing is not at present contemplated, indirect Bank assistance to housing through the stimulation of housing finance institutions more clearly fits the general considerations outlined earlier. The non-availability of adequate housing is a serious cause of discontent among skilled labour and white-collar groups who must frequently live far from their jobs or accept high rents and poor housing closer in. Immobility due to shortage of housing and poor locations may greatly increase transport demands. Absence of financing institutions to collect savings and extend loans for housing for these and for lower income groups often presents a major bottleneck. Experience shows that the volume of new savings collected by such institutions is a multiple of the amount of "seed capital" initially needed to start them.

The International Finance Corporation is prepared to consider "seed capital" for independent housing finance associations and similar institutions providing mortgage facilities where such projects form part of a programme to stimulate savings and develop the capital market, and where subsidization of housing for relatively richer groups of the population is not involved. Discussions are at present being held with three countries. The Bank can also lend indirectly for similar purposes through local development corporations. Particular attention will be paid to the income groups for which housing is proposed, the mobilisation of small savings and the possibilities for supporting improvements to standard housing.

Urban Region Projects:

Evaluation of many of the projects discussed above will necessarily involve consideration of a region considerably wider than the municipal limits. The interactions between growth in cities and that in surroundings areas extending 20 miles or more have a direct relevance to projects such as major urban roadways. Similarly the growth of satellite towns has repercussions on the major city with which they are intimately connected. The problem contains three or four projects which are concerned with a package approach to the development of such urban regions or corridors."

2.44. The Committee note that the World Bank have shown interest in recent months in financing housing projects and that one of the Appraisal Team of the World Bank has visited Calcutta in that connection. The Committee have no doubt that Government would follow up the matter with the World Bank authorities so as to secure the necessary financial assistance at the earliest. This could well serve as a model for securing similar assistance for projects to relieve the acute housing shortage in other metropolitan cities.

2.45. Another field, in which the United Nations help can be taken, relates to modernization of building industry with a view to reduce construction cost. It is understood that the United Nation Development Programme envisages assistance equivalent to twenty per cent of the estimated cost. Since lack of availability of building material constitutes one main constraint in stepping up construction of houses, the Committee have no doubt that Government would examine in the context of expanding in modernising building industry the extent of help which could be taken with advantage in the United Nations Development Programme.

E. Housing and Urban Development Corporation Ltd.

2.46. In order to centralise financing efforts in the field of housing, the Housing and Urban Development Corporation Limited was set up by Government on the 25th April, 1970. The main objects for which the Corporation is established are:—

- (1) To finance or undertake housing and urban development programme in the country;**
- (2) To finance or undertake, wholly or partly the setting up of new or satellite towns;**
- (3) To subscribe to the debentures and bonds to be issued by the State Housing and/or Urban Development Boards, Improvement Trusts, Development Authorities etc., specifically for the purpose of financing housing and urban development programmes;**

- (4) To finance or undertake the setting up of building material industries; and
- (5) To administer the moneys received, from time to time, from the Government of India and other sources as grants or otherwise for the purposes of financing or undertaking housing and urban development programmes in the country.

2.47. It has been stated by the Ministry of Works and Housing that "the Corporation has been set up under the Ministry of Works and Housing rather than under the Ministry of Finance, because apart from its role as a financing agency, it will be called upon to give a definite direction to housing and urban development programmes, to determine priorities, to subsidise projects in appropriate manner and, if necessary, to undertake field activities directly."

2.48. The Corporation have so far sanctioned 34 housing schemes in 12 States covering an expenditure of Rs. 4968.53 lakhs and have released an amount of Rs. 1012.97 lakhs. The scheme envisages the construction of 41,664 houses/flats and 19,718 plots plus 5 acres for sale. Out of these, more than 32,000 houses and 8,000 plots are meant for persons belonging to the economically weaker sections of society and low income group. In order to further accelerate housing in the country, the HUDCO is taking up direct execution of a housing scheme in Calcutta for the construction of 252 flats for sale on hire purchase basis to the weaker sections of society. The Corporation have also sanctioned 3 building material schemes, two for brick making and one for woodwork.

2.49. It has been stated by the Ministry of Works and Housing in a written note submitted to the Committee that "The HUDCO started functioning effectively from July, 1971. Owing to paucity of resources in the early months, HUDCO has confined its financing to State Housing Boards, Municipalities and Improvement Trusts only. Financing was also concentrated for cities with a population of 1 lakh and over where the housing is in acute shortage. Government have recently issued direction to the HUDCO on the 14th December, 1972 to accept in future composite scheme involving development of commercial centres like shops, cinemas etc., where high returns on capital are feasible provided that such schemes help to utilise the profits for the schemes of housing for the economically weaker sections of society, not necessarily at the same site but in the same city, and such projects involving both components are received by the Corporation for sanction."

2.50. Asked about the performance and achievements of the Housing and Urban Development Corporation Ltd., the representative of the HUDCO stated in his evidence before the Committee:—

“The objectives of this Corporation are quite broad-based. The intention is to mobilise resources and the original intention was, of course, to create a revolving fund of about 200 crores of rupees. We started in the middle of last year. We have already drawn a capital of Rs. 6 crores from the Government which will be made Rs. 10 crores next year. We also raised a debenture issue last year of Rs. 5 crores and this year we are doing Rs. 5½ crores. We have negotiated a loan of Rs. 10 crores from the L.I.C. So altogether we have about Rs. 30 crores as available resources. We have prepared a Five Year Plan for the next five years to build at least 3,25,000 houses at an investment of Rs 325 crores for which we require Rs. 152 crores. We prepared this before and referred it to the Planning Commission and it is under their consideration. So far we have already financed about 33 schemes in 27 different cities for a sum of Rs. 50 crores. We give emphasis on housing for the Economically Weaker Section and Low Income Group and till now, whatever we have financed is represented by 38 per cent for Economically Weaker Sections, 39 per cent for Low Income Group, 20 per cent for Middle Income Group and about 2 per cent as commercial element. Any scheme that envisages housing for economically weaker sections, carries a rate of interest at 6½ per cent. Otherwise we loan money at 7½ per cent.”

2.51. The representative of the HUDCO further stated:—

“Our problem has been that not that we have not got resources, but the resources are not being used. We sanction loans to Housing Boards and Municipal Corporations. We give money for acquisition of land, for development of land and for building houses. Our experience is that the organisational machinery that is required at the State Level to execute these projects is still not adequate. Conditions are improving. But money is not being spent as fast as we would like.”

2.52. Asked how it was that while on the one hand there was complaint of shortage of money, on the other hand, there was no agency to spend the funds of HUDCO, the representative of HUDCO replied, “This is a short-term phenomenon. We came into being last year. We adopted our own rules. We circulated these rules to the State Hous-

ing Boards. They have now begun to understand the terms under which we finance them. In turn they have set up divisions which will execute these projects”.

2.53. Asked if HUDCO was maintaining coordination with the Ministry of Works and Housing and its counterparts in States and if attention was being paid to backward areas, the representative of the Ministry of Works and Housing stated before the Committee:—

“We recognise the point of coordination. The Ministry also had a conference of the Chairmen of the Housing Boards with the Housing and Urban Development Corporation. There this issue was discussed. It was decided that we should help them to draw up the right kind of schemes. But at the same time the question of creating some regional allocation is also there. Because some organisations do not get all the money, therefore, the area remains backward. The question of getting the money is a very vital question. Planning in general, has only helped in advancing advanced areas more and backward areas remain backward. This is a very crucial issue. This has also been discussed. We are now particularly telling HUDCO that they should think and sponsor programmes and projects for such backward areas.”

2.54. Asked if after grant of loans, any check was kept as to how the money was being spent, the representative of HUDCO stated:—

“We release money every three months after a scheme is sanctioned. We also look at the Plans. We improve upon the designs if it is necessary to improve upon them. Our officials constantly go and inspect the sites. They also give advice wherever necessary. Thereafter, the progress of work constructionwise and financially is examined every three months. We get progress reports from them every three months. Periodical checks are also there. But the money which is given for one scheme can only be spent for that scheme and for no other scheme. Even when we loan money to the States, we always insist that they should keep a personal ledger account and that money is to be kept separately for the specific project which we have sanctioned and that it cannot be merged with the Consolidated Funds of the State Governments.”

2.55. Asked if there are any States which have not furnished any housing schemes to the HUDCO, the Committee have been informed in a written note by the Ministry of Works and Housing that:—

“Manipur, Meghalaya and Tripura have not submitted any housing schemes to the HUDCO. Assam, Bihar, Mysore and

Orissa have forwarded their schemes to HUDCO which are being finalised in consultation with the agencies concerned. Jammu and Kashmir, Himachal Pradesh and Nagaland have also been requested to prepare suitable schemes and send them to HUDCO for financing. Efforts are constantly being made by HUDCO visiting such States and holding consultations with respective authorities to ensure that schemes are formulated as soon as possible."

2.56. Asked about the steps taken by HUDCO to reduce the cost of construction, the representative of the HUDCO stated before the Committee:—

"We are now undertaking feasibility studies on various alternative materials because cement and steel are always in short supply. We encourage people to use locally available materials. For example, in Rajasthan, houses are being constructed with stones and lime mortar without steel and cement. Where locally available materials are there, we encourage them. We are preparing designs i.e. model layout for one, two, three roomed tenements which can be built with least possible cost and that has been circulated to the State Housing Boards for their use..... The question of building materials is a very worrying one. We have to prepare ourselves, as we go for more and more housing projects. Production of building material should also increase side by side."

2.57. The Committee note that Housing and Urban Development Corporation Ltd., was set up by the Government in 1970 to coordinate the activities of the Government in the field of financing housing and urban development programmes in the country. The Committee also note that the activities of the Corporation are quite broad based and the Corporation is expected to finance and undertake the housing and urban development programmes and setting up of building material industries and setting up of new or satellite towns etc.

2.58. The Committee note that HUDCO has so far been able to assist in the setting up of a few building material industries. The Committee cannot but strongly stress the need for a thorough investigation of the problem and drawing up and implementation of a well-coordinated programme so as to bring up the building material industry on a decentralised basis all over the country to meet effectively the requirements locally and save avoidable transport cost.

2.59. The Committee are surprised to note that while there is an all-round complaint of non-availability of resources for construction of houses by the State Government etc., the representative of the

HUDCO has stated that the resources available with the Corporation are not being used and there are some States who have not submitted any schemes to the Corporation.

2.60. The Committee would like Government to review the position at the earliest and take necessary action in coordination with HUDCO and State Governments and State agencies to ensure that the funds available for housing are distributed to the States in accordance with their requirements and the overall priorities determined in that behalf.

2.61. The Committee would like the HUDCO to make special efforts to undertake housing schemes in the backward areas.

2.62. The Committee note that one of the functions of the HUDCO is to finance and undertake the setting up of the building material industries. The Committee have, in a separate chapter, pointed out the extent to which the shortage of building material has adversely affected the construction of houses in the country.

2.63. As regards promoting use of alternative material in place of scarce material like cement and steel, the Committee note that a number of other Government agencies are already engaged in this work namely National Building Organisation, New Delhi, Central Building Research Institute, Roorkee, C.S.I.R. etc. The Committee have no doubt that HUDCO would ensure that maximum advantage is taken of the research already carried out and the knowledge about proven alternative materials which are cheaper reaches the construction agencies in the field.

2.64. The Committee note that HUDCO have decided to go in for construction of houses in Calcutta. The Committee would like to point out that N.B.C.C. is already charged with the responsibility of undertaking the construction. The Committee would like Government to review the matter at the highest level to avoid any duplication of effort in the field.

CHAPTER III

HOUSING SCHEMES

A. Urban Land Policy

Availability of land in sufficient quantity is the first essential pre-requisite for the success of any housing programme in the country. In a background paper prepared for the Seminar on "Evaluation of a National Housing and Urban Development Policy", the Ministry of Works and Housing have stated:

"Urban Land values have increased abnormally, throughout the country, but more particularly in metropolitan and major cities, with consequent mounting costs of houses and accentuation of wealth disparities. Nowhere was time taken by the forelock and provision of shelter made before the demand for the same was up... Public acquisition of land is also very cumbersome and time-consuming. Time is now opportune to give effect to the recommendations to this effect, by various expert studies... Vacant developed land is an incentive to squatting. Private unbuilt sites are a drag on development and could be heavily taxed."

The Seminar recommended that:

"Land as a primary natural resource must be brought under social control so that land values are not subject to speculative pressures for private gain. The Government should examine the policy and legal implications of "socialising" all urbanisable land. The benefits of appreciation in land values resulting from urbanisation should go to the community and not to the individual. All freehold land should be converted into leasehold property within a span of say 20 years. There should be restriction on future plot sizes. Land acquisition procedures should be simplified and limitation placed on the nature and duration of injunctions."

3.2. The Conference of State Ministers of Housing, Town Planning and Urban Development held in July, 1972 has recommended that:—

“All urbanisable land should be socialised so that Government can have effective control on use of land, and also recover unearned profit in the sale, change of use of land etc., for the benefits of the community. This would be an important source of funds for increasing the housing stock in the country, as well as provision of public amenities so badly needed in many towns/cities in the country.

3.3. Regarding the requirement of urban lands, the Working Group for the Fourth Five Year Plan on Housing has stated:—

“It has been estimated that on the basis of the present average gross density of 33 per acre about 24 lakh acres would have to be acquired and developed to accommodate the urban population by 1981. Even assuming that a highly intensive land use is planned a gross density of 66 per acre (i.e. double the present density) the requirement of urban land would be in the neighbourhood of 12 lakh acres. The corresponding financial involvement would work out to about Rs. 6000 crores on a modest estimate of Rs. 50,000 per acre (including cost of raw land and development charges). Against the background of such colossal requirement, the indications are that a meagre sum of only Rs. 25 crores would be available from Government sources for financing land acquisition and development projects in relation to the programmes under the social housing schemes.”

3.4. Asked how land at cheaper rate could be made available to common man to construct a house, the representative of the Town and Country Planning Organisation stated in his evidence before the Committee:—

“What the D.D.A. is doing is to give them built houses and the cost of land, the cost of construction of the house etc., which they have worked out is tremendous. This is where something has to be done. If there is to be any element of subsidy from the Government, it need not be on the rental of the house. This subsidy could be in terms of giving the land at a set price or fixed price which is within the means of these people and this can be done for a very simple reason. Take for example, Delhi. Many thousands of acres of these lands which were acquired in New Delhi in 1912 and 1913 were vacant and they were acquired for a song may be 1 paise per square yard or even less but that land can easily

be allotted to this category of people at that price or even at no price and the Government, I am sure, will not be the loser on that score.... Quite a substantial amount of land which were acquired in 1911-12 has not yet been utilised by them. Build up this whole area and then work out the land value. It will come to a very negligible amount."

3.5. Asked how the Government proposed to meet the problem of urban land shortage, the representative of the Ministry of Works and Housing stated before the Committee:

"The urban land problem has to be tackled and the method that has been thought of has been the Constitutional amendment and the consequential steps—steps that have to be taken, are the results of that. For what the Steering Group or the Commission is thinking for sometime—socialisation of the land, the availability of the land is a *sine quo non*, it is a must. Any country must tackle the housing problem and it must be tackled only on the basis of the urban land policy. Within these constraints, if there is no amendment in the Constitution, Government normally pays the market price. Then certainly we will not be able to tackle the housing problem of the type we want and it will not be within the reach of substantial number of the people in this country."

3.6. Asked about the contents of socialisation of land, the representative of the Ministry of Works and Housing replied:—

"The contents of such socialisation is if we do not get the full powers, as I said under the Constitutional amendment and take overall control as in any other East European country or anything of that sort, then the components or the elements of such socialisation could be in terms of conversion of the free-hold land into a lease-hold land and purchasing of land by any public authority on a lease-hold basis rather than on a complete free-hold basis. Free-hold basis promote speculators."

3.7. Asked about the reasons for the high price of land charged by D.D.A., the representative of the Delhi Development Authority stated before the Committee:

"This was about the profiteering, as you referred, with regard to the Nehru Place and other D.D.A. Colonies. I think there is a little bit of clarification that is required. In fact, this D.D.A. scheme is a composite scheme and we are acquiring, according to the Master Plan, about

56,000 acres of land. Certain acres are earmarked for residential uses, for industrial uses, for green development, for school sites, in accordance with the Plan which we have prescribed in the Master Plan, and the basic idea is to create better environment. When we want to embark upon such a vast scheme, and when we want to scheme for 20 years for planning and development, we require huge funds for doing it... In Nehru Place, we utilise only 20 per cent of the land and the rest of the land goes for parking and other things. It involves a very high cost of development. We get more money from these commercial places. We are perfectly justified in utilising that money better. We use that money for the future development of that site. There is no profit. Along with that area, there is another area, which has to be developed as green park bigger than that of India Gate. I have paid for the acquisition of the land. I will have to spend crores of rupees for development of that land, for taking water lines, for digging tube wells, for maintaining parks etc. From where, will that money come? From the acquisition of land, I have to pay Rs. 5 for development, Rs. 10 for maintenance. For years together, I have to pay that. This is the only way we can do. There is another misunderstanding about D.D.A. We never auction to lower or middle income members. To them, we always give on a no profit-no loss basis. You would be surprised to know that the investment position reveals that only 8 per cent of the land is put to auction."

3.8. The Committee note that availability of land for house construction is the first pre-requisite for any housing programme and that due to the exorbitant rise in price of land particularly in urban areas and metropolitan cities, it is not possible for a common man to purchase land to construct a house. Although the question of evolving an urban land policy is receiving the attention of Government, the Committee regret that no specific policy has been laid down so far. The Committee would urge Government to lay down early land policy which should be directed towards making land of suitable size available to the common man at a reasonable price.

3.9. The Committee note that present procedure of land acquisition is very slow, tardy and involves a lot of litigation and this is time-consuming with the result that a number of housing programmes are delayed. The Committee would like that early steps be taken to make the procedure expeditious and more worklike.

B. Schemes for Provision of House-sites to landless workers in Rural Areas

3.10. The scheme for the provision of house-sites to landless workers in Rural Areas was introduced in October, 1971. The scheme aims at assisting the State Governments and Administrations of Union Territories to provide house-sites free of cost to families of landless workers in the rural areas who do not already own a house-site or built-up house or a hut on land at their own. With the house-sites so provided the workers will have to build houses|huts thereon with their own resources and live in peace without being constantly threatened with eviction by the owner of the land on which they have built their houses|huts.

3.11. The Scheme is in Central Sector and is implemented through the respective State Governments and Administrations of Union Territories. Other main features of the Scheme are as under:--

- (i) *Financial Assistances* The entire cost of acquisition required for the purpose is given by the Central Government as grant-in-aid. In addition, the entire cost of development, not exceeding Rs. 150|- per house-site on an average, is made available to States and Union Territories.
- (ii) *Size of Plot:* The maximum size of a house-site to be allotted to a landless family shall not exceed 100 square yards. However, the Government of India may relax this condition in exceptional cases where sufficient justification exists.
- (iii) *Unit of Project:* The unit for formulation of a project under the Scheme a Community Development Block.
- (iv) *Provision of Water-Supply:* In cases where an adequate supply of portable drinking water is not already available a covered masonry well may also be provided to serve a cluster of say 40—50 house-sites (Normally, the State Governments should meet this expenditure from the provision for rural water supply).
- (v) *Allotment of House-sites:* In allotting house-sites the State Governments are to ensure that there is no segregation of families belonging to Scheduled Castes|Tribes. Such families are to be suitably interspersed along with the other families.

3.12. In order to avail of Central assistance under the Scheme, the State Governments and Administrations of Union Territories are expected to take urgent action to:—

- (i) Enact suitable legislation (Where this has not already been done) conferring homestead rights on landless workers in rural areas in respect of sites on which their houses|huts stand at present;
- (ii) Utilise available land owned by the State Government or the Gaon Sabhas in villages for providing house sites, free of cost, to families of landless workers in rural areas who are not covered by action under (i) above.

3.13. Asked about the names of States who have introduced the Scheme and the number of persons allotted house sites under the schemes, the Ministry of Works and Housing have stated in a note submitted to the Committee:

"13. States, viz., Andhra Pradesh, Bihar, Gujarat, Himachal Pradesh, Kerala, Maharashtra, Mysore, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal have so far submitted projects under the scheme for provision of house-sites to landless workers in rural areas. Since the introduction of the Scheme in October, 1971, projects in respect of 1167 Development Blocks/Panchayats of eight State Governments of Bihar, Gujarat, Kerala, Maharashtra, Mysore, Orissa, Tamil Nadu and Uttar Pradesh have been approved, involving Central assistance of Rs. 10.75 crores for provision of 3,08,137 house-sites. Other Projects received from the State Governments are being referred back to them, wherever they are incomplete for resubmission duly revised.

As projects are for acquisition of land, development of both Government and acquired lands and have been sanctioned in recent months, the detailed reports are likely to be received after some time. However, the Government of Kerala, have reported that they have incurred an expenditure of about Rs. 111.41 lakhs to purchase about 3239 acres of land for development of sites under the scheme. The Government of Uttar Pradesh have intimated that they have so far allotted house-sites to 3561 persons. The Government of Orissa and Tamil Nadu have reported that they are carrying out certain surveys etc. before mak-

ing the actual allotments. The Government of Kerala have also launched a scheme of construction of houses on the allotted sites with finances of the State Government, contributions from the members of the public, Government servants and students etc., and through raising of funds by benefit performances etc., voluntary welfare agencies and members of the public have been involved in the housing programme."

3.14. The Conference of State Ministers' of Housing, Town Planning and Urban Development held in July, 1972. made the following main recommendations in respect of the scheme:

- (i) Legislation on land reforms and conferment of homestead rights on those landless workers, who are in occupation of land in the rural areas as house-sites, should be tied up with the Scheme for Provision of House-sites to Landless Workers in Rural Areas. This will enable Government to extend to a larger number of people the benefits that can be provided with the limited funds available with them.
- (ii) For construction of houses in rural areas, emphasis must be laid on the use of locally available building materials to the maximum extent. This will reduce the cost of construction of houses and also reduce dependence on scarce building materials such as steel, cement, etc., which are also costly and have to be transported from the nearby towns.
- (iii) To reduce the cost of acquisition of land under this scheme, Land Acquisition Acts of Central and State Governments should be amended suitably taking advantage of the 25th Amendment of the Constitution. Instead of leaving the amendments to the States, the Centre should provide guidelines for the amendments.
- (iv) Each State Government should be given a broad indication of the funds that are likely to be made available to it during the current year and the next year for the scheme.
- (v) In view of the importance and urgency of the problem each State Government should be given 25 per cent of the funds allocated to it, in advance, to enable it to go ahead with the work on projects formulated in conformity with the provisions of the Scheme and submitted

to the Government of India, pending scrutiny and sanction of those projects by the Government of India.

3.15 In reply to Starred Question No. 210 in Rajya Sabha on 9-8-1972, the Minister of State in the Ministry of Works and Housing stated:

“Particularly for the landless labourers in the rural areas, Government is giving the money necessary for acquisition of land sites and for their improvement. But the necessary legislation and other administrative measures have to be taken by the State Governments. But I am sorry to say that State Governments in most cases are not coming upto expectations.”

3.16. To a supplementary if there was any time-bound programme for the distribution of house-sites, the Minister replied:

“It is mainly, almost exclusively, for the State Governments to bring about legislations. Some Governments have been pursued earnestly by us to expedite the matter. For example, the day before yesterday, we approached the West Bengal Government. So far as the Central Government is concerned, we are providing the development cost. For one unit of a house-site we give them not more than Rs. 150 on an average. This sum is given for some drainage facility, for levelling and for some other things like paving roads etc. These three things are included within the cost of development but for other things the State Governments have to bring forward legislation. Importance of time is primarily to be considered by the State Governments. We want to expedite the matter as early as possible.”

3.17. The Committee note that the scheme for Provision of House-sites to Landless workers in the Rural Areas was introduced in October, 1971 as a Central Sector Scheme and under the scheme the entire cost of acquiring and developing land for providing house-sites will be met by the Government of India as 100 per cent grant assistance. The Committee further note that 13 States have already submitted their schemes to the Central Government and projects in respect of 1167 Development Blocks/Panchayats of eight State Governments involving Central assistance of Rs. 10.75 crores for provision of 3,08,137 house-sites and other schemes have already been approved and the remaining projects are under the consideration of Government. The Committee feel that the Scheme is a right step in the direction of providing shelter to the economically weaker

sections of society. The Committee would like the scheme to gain momentum at the earliest. The Committee would further like the State Governments to link the Scheme of providing house-sites with a programme of construction of low-cost housing on those sites as has been done by the Kerala Government out of their resources, public donations etc. The Government recommend that while allotting house-sites under the Scheme, preference should be given to Harijans and Adivasis.

3.18. The Committee would like to point out that the last Conference of Housing Ministers' Conference held in July, 1972 has made a number of recommendations in respect of the scheme, viz., that the legislation on land reforms and conferment of homestead rights to landless workers who are in occupation of land in the rural areas as house-sites should be tied up with the scheme for provision of Housing sites to landless workers in rural areas, for construction of houses in rural areas emphasis should be laid on the use of locally available material, to reduce the cost of acquisition of land under the scheme, Land Acquisition Acts of Central and State Governments should be amended taking advantages of the 25th Amendment of the Constitution and that each State Government should be given a broad indication of funds that are likely to be made available to it during the current year and the next year of the scheme. The Committee recommend that action on these recommendations should be taken early and the Committee kept informed of the same.

3.19. The Committee are surprised to note that some States have not yet submitted any project under the scheme so far. As 100 per cent financial assistance for acquiring and development of land is being provided by the Central Government, the Committee fail to understand the reasons for reluctance on the part of the State Governments in submitting the scheme. The Committee would like the Government of India to impress upon the State Governments who have not yet submitted any scheme so far about the urgent need for doing so expeditiously. The Committee note that the necessary legislation and other administrative measures for the scheme are to be taken by the State Governments. The Committee hope that State Government would take expeditious action for acquisition and development of land involved in the scheme.

C. Rural Housing

3.20. While nearly 83 per cent of India's population live in about 5,60,000 villages, the housing conditions of rural areas are by and large, deplorable. About 73 per cent of the rural population reside

in miserable "Kutchha" structures with plinth made of mud (in some cases of bricks without any cement and plaster) and walls and roofs built of grass, reeds or thatch with or without any plaster, hardly 2 per cent are able to live in 'all pucca' houses, with plinth, walls and roofs built of burnt bricks or tiles, stone, cement concrete and/or timber. As regards the condition of rural dwellings in general, only about 7 per cent could be considered to be in satisfactory state of repair, the condition of 28 per cent is bad, dilapidated and impoverished. This data gathered by the National Sample Survey speak for themselves.

3.21. Asked if it was a fact that the Government did not have a clear idea about the magnitude of the housing problem in rural areas, the Committee have been informed by the Ministry of Works and Housing in a written note that:—

"It is not quite correct to say that the Government of India and the State Governments are not even aware of the exact dimensions of the housing problem in the rural areas. Projections based on certain data collected during 1961 census worked out the shortage of durable rural (with minimum comfort and safety) housing at 718 lakh units. This figure includes existing kutchha and semi-pucca houses which require replacement. Some data on on the subject have also been collected during 1971 Census and the same are being compiled by the Registrar General of India. Considering the resources position and and the state of the economy, serviceable "kutchha" houses in rural areas will have to be accepted as liveable dwelling units for a long time to come.

On this basis, it is estimated that in 1971 there was a total housing stock of 74 million dwelling units in rural areas of the country including 8.5 million of unserviceable kutchha units and the shortage is assessed at 18.6 million units including the unserviceable kutchha units which will have to be replaced."

Rural Housing during the Five Year Plans.

3.22. In the First Five Year Plan, rural housing was considered to be more or less the direct responsibility of the State Governments. In the Second Plan, however, it was realised that some concrete measures of central assistance would be necessary to help the State Governments to improve the housing conditions in the rural areas. Accordingly a village Housing Projects Scheme was formulated and

introduced in August 1957 as a Centrally-sponsored Scheme. The scheme provides for:—

- (a) grant of loan to individuals and their cooperatives for construction and improvement of houses in villages. The amount of loan is restricted to 80 per cent of the cost of construction subject to the maximum of Rs. 4,000 per house. It is repayable at low interest in easy instalments spread over a period of 20 years.
- (b) 100 per cent grant to States for laying streets and drains to improve environmental conditions in the villages.
- (c) grant to the extent of 50 per cent of the expenditure incurred by the State Governments for maintaining Rural Housing Cells. The function of the Rural Housing Cell is to prepare layout plans for selected villages, evolve suitable designs of houses (after taking into account various factors like climatic conditions, customs and living habits availability of local building materials, etc.) and provide technical guidance to the perspective builders in the construction of their houses. If the staff in the Cell is not adequate, the State Governments are authorised to provide additional Overseers in the Development Blocks to assist the villagers in the construction of their houses, for this purpose also, the Central Government have agreed to provide 50 per cent of the expenditure as outright grant."

3.23. After completion of the initial formalities and setting up of the requisite machinery for implementation, the scheme came to be acutally put into operation only towards the close of the Second Plan period, against a total provision of Rs. 4.85 crores (revised as a result of the re-appraisal of the Second Plan), a sum of Rs. 3.77 crores was utilised and about 7,200 houses were completed by the end of the Second Plan.

During the Third Plan the scheme was designated as a centrally Aided Scheme, with the result that it became vulnerable to the pressure of other important development programmes such as agriculture, irrigation, power etc. which had also to be accommodated within the ceiling of the State Plans. This had an adverse effect on the progress of the scheme. As against a total provision of Rs. 12.8 crores an amount of only Rs. 4.4 crores was utilised by the State

Governments and about 25,200 houses were completed against a target of 79,000 houses.

3.24. Regarding the allocation of funds for rural housing, the Working Group on Housing for the Fourth Plan has stated:—

“The Draft outline for the Fourth Plan first envisaged an outlay of Rs. 25 crores for rural housing, but this figure was subsequently reduced to Rs. 11 crores. It is obvious that this bears no relationship, whatsoever, to the magnitude of the problem.”

3.25. Asked about the amount allocated by the State Governments for rural housing during the Fourth Plan and the amount actually spent so far, the Committee have been informed by the Ministry of Works and Housing in a written note that:—

“A sum of Rs. 5.16 crores, is reported to have been provided by the various State Governments etc. for the Fourth Five Year Plan under the village Housing Projects Scheme which is in the State Sector. The amount spent under the village Housing Projects Scheme during the first 3 years of the Fourth Five Year Plan as reported by the various State Governments etc. is about 3.79 crores. Planwise expenditure incurred prior to the Fourth Plan is also given below:—

| | |
|-----------------------|-------------------|
| Second Plan | Rs. 3.77 crores |
| Third Plan | Rs. 4.14 crores |
| 1966—69 | Rs. 3.07 crores.” |

3.26. In a statement showing physical progress under Social Housing Schemes from their inception furnished by the Ministry of Works and Housing, the position regarding village Housing Scheme has been shown as under:—

| | Houses Sanctioned | Houses Completed |
|---|-------------------|------------------|
| Second Plan | 24,196 | 5,415 |
| Third Plan | 37,805 | 26,990 |
| During 1966—69 | 11,362 | 12,787 |
| During First 3 years of Fourth Plan | 6,748 | 5,333 |
| | 80,111 | 50,525 |

3.27. Asked about the reasons for slow progress of village housing scheme, the representative of the Ministry of Works and Housing stated during evidence, before the Committee:—

“It is a point to consider whether a person in a rural area should be burdened with a loan of Rs 3 or 4 thousand for a house. Once you give it under the scheme, it has to be a pucca house with lime, mortar etc., while in many parts of the country we are still living in relatively kutchha houses which are relatively quite comfortable. Except in areas which are subject to stones and gales etc., a large part of the country can still manage with reasonably comfortable houses. But the second part of the question is that one-third of the funds should be used for improvement of environments and the conditions in which villages are situated or a villager lives. Therefore, after a study of this aspect we found that it is better to use a part of this money for improving the surroundings of the villages or areas where the villagers live rather than burden people of small means with additional loans. Of course, when the villagers came forward asking for loans under the village housing scheme, they were being given the loans, but greater emphasis was placed, in all the meetings and conferences etc. and when we scrutinised or visited different part of the country to the extent we could, on environmental improvement.”

3.28. Asked about the circumstances in which the provision for rural housing in the Fourth Plan was reduced from Rs. 25 crores to Rs. 11 crores, the representative of the Ministry of Works and Housing stated during evidence before the Committee:—

“This is linked up again with the overall priorities basically. Ultimately the total funds are the same, how you arrange and re-arrange, you come back to the same situation, where you have to manage in the same amount. It is a fact that in the matter of rural housing, the States have not paid that much attention that was needed. . . . The money was diverted for other purposes. The Committee is very rightly worried about them. The Ministry are equally aware of this concern. When we found that even the 25 crores figure was not workable, it was thought that 11 crores is certainly a workable figure. That was in the ambit of possibility. The actual performance is much lower; and even major States like Maharashtra, Rajasthan, U.P., and West Bengal said they could not provide money for rural housing and they did not provide it. We

then called a conference and the matter was considered twice in Delhi and Jaipur and on both the occasions this point was brought out that the allocations cannot be increased."

3.29. The representative of the Planning Commission stated:—

"The figure of 25 and 11 crores need to be clarified. Actually under the present system of State planning, there is no separate allocation for rural housing at all. Actually housing is the sum total of the provisions made by all the States plus provisions for housing in the State Sector. If a State makes 10 crores and another 15 crores, all the amount is put together and taken into consideration in the Plan. We analyse the break-up after the States have divided their outlay into various schemes. When we analysed at the beginning of the year 1970-71, we found that the States were merely providing 5-6 crores of rupees."

3.30. The Estimates Committee (1967-68) in their Third Report on Rural Housing had recommended that:—

"The Committee note that the funds provided for the Village Housing Projects Scheme during the Second and Third Plan periods were utilised only to the extent of 37.6 per cent and 34.7 per cent resulting in a shortfall of 62.4 per cent and 65.3 per cent respectively. The Committee fail to understand why the percentage of physical performance, namely 5.4 per cent and 20.1 per cent respectively in the second and Third Plan could have been so low compared to the percentage of expenditures. The Committee further note that the number of villages where the scheme was to be implemented remained stationary at 5,000 both during the Second and the Third Plan periods. It is regrettable that even at the end of the Third Plan periods the scheme is being implemented only in 2913 villages representing a shortfall of 42 per cent" and that "from the changes made in the scheme from time to time, it is evident that a part from the basic weaknesses in the scope and contents of the original scheme its implementation has suffered from organisational weakness at the field level. The general apathy of the States towards this scheme was also responsible for its poor progress. The Committee are constrained to note that the Central Government have complacently allowed the State Government to divert the funds allotted for this scheme to other programmes.

The Committee fail to appreciate the Central Administrative Ministry pleading helplessness in the matter. The Committee consider that it would be far better if taking note of all these difficulties, concerted measures are taken to overcome them and to fix realistic targets in the light of State's genuine requirements and capacity for execution."

3.31. Asked about the number of States who have established Rural Housing Boards, the Committee have been informed by the Ministry of Works and Housing that "According to the information available in the Ministry of Works and Housing, only the Government of Gujarat considered the desirability of establishing a Rural Housing Board in their State. An enactment, therefore, has been passed recently by the Gujarat Legislative Assembly and the President's assent to the enactment has also been accorded."

3.32. The Committee are distressed to note that although 83 per cent of India's population live in villages and about 73 per cent of rural population reside in unsatisfactory "kutchra" structures, the problem of rural housing has not received close attention of the Government. The Committee note that although the shortage of houses in rural areas has been estimated to be about 18.6 million units, only 80,111 houses under the Village Housing Projects Scheme have been sanctioned since 1957 and only 50,525 house i.e. about 2,009 houses per year on an average have been constructed. The Committee regret to note that although the Estimates Committee (1967-68) had drawn attention to the unsatisfactory performance of the Village Housing Schemes during the Three Five Year Plans and the apathy of the State Governments towards the scheme, the position has not shown any improvement and even the representative of the Government of India have admitted that in the matter of rural housing, the States had not paid that much attention that was needed and the funds were being diverted for other purposes.

3.33. The Committee are further distressed to note that the first draft outline of the Fourth Five Year Plan had made a provision of Rs. 25 crores which was subsequently reduced to Rs. 11 crores and actually the States had made so far a provision of Rs. 5.16 crores for the Village Housing Schemes. This speaks of the low priority accorded by the Government to the problem of rural housing in actual practice. The Committee urge that Government should realise the urgent need of improving housing stocks in the rural areas and for the purpose gear-up the implementation machinery and make necessary planning in this direction. The Government should also attach proper importance to the need for environmental improvement in the

rural areas, and should take necessary steps for improving water supply, sanitation, sewerage etc., and sufficient funds for this purpose should be provided. Moreover the funds provided for rural housing should be earmarked so that the same could not be diverted for other purposes.

3.34. The Committee note that although the Estimates Committee (1967-68) had pointed out that the scheme has suffered from organisational weakness at the field level, no effective steps have been taken to remedy the situation and only recently the State of Gujarat alone have thought fit to set up a Rural Housing Board. The Committee recommend that immediate steps should be taken to tone up the field organisation to implement the Village Housing Scheme and the remaining States should be persuaded to set up at an early date Rural Housing Boards or similar other suitable organisation in their States to give an impetus to the programme in the field.

D. Social Housing Schemes

3.35. The Ministry of Works and Housing introduced the following Social Housing Schemes with effect from the year noted against each:

| Sl. No. | Name of the Scheme | Year of Introduction. |
|---------|--|-----------------------|
| 1. | Integrated Subsidised Housing Scheme for Industrial Workers and Economically Weaker Sections of Society. | 1952 |
| 2. | Low Income Group Housing Scheme | 1954 |
| 3. | Subsidised Housing Scheme for Plantation Workers | 1956 |
| 4. | Slum clearance/Improvement scheme | 1956 |
| 5. | Village Housing Projects scheme | 1957 |
| 6. | Middle Income Group Housing Scheme | 1959 |
| 7. | Rental Housing Scheme for State Government Employees | 1959 |
| 8. | Land Acquisition and Development Scheme | 1959 |
| 9. | Jhuggi and Jhonpri Removal Scheme (for Delhi only) | 1960 |
| 10. | Scheme for Provision of house-sites to landless workers in the Rural Areas | |

These schemes are implemented by the State Governments and Union Territory Administrations. The role of the Central Government *vis-avis* these schemes is confined to laying down broad principles, providing necessary financial assistance to State Governments (and such advice as might be sought by them from time to time) for implementation of these schemes and watching their progress. The

State Governments and the Union Territory Administrations have been vested with full powers to formulate, sanction and execute suitable projects under these schemes in conformity with the provisions of the respective schemes and also to release financial assistance therefor to the concerned construction agencies. The salient features of the scheme are given separately for each scheme in the Appendix (*Appendix I*)

3.36. Asked about the physical progress under Social Housing Schemes for their inception, the Committee have been furnished with a statement giving the requisite information.

However, the total number of Houses sanctioned under each scheme and houses actually completed are as follows:—

| Name of the Scheme | Year of inception | Total No. of houses sanctioned. | Total No. of houses completed |
|---|-------------------|---------------------------------|-------------------------------|
| 1. Intergrated Housing Schemes for Industrial Workers and Economically Weaker Section of Society. | 1952 | 2,29,992 | 1,76,275 |
| 2. Low Income Group Housing Scheme | 1954 | 1,81,207 | 1,43,450 |
| 3. Middle Income Group Housing Schem | 1959 | 34,520 | 25,730 |
| 4. Rental Housing Sceme for State Government employes | 1959 | 25,771 | 20,275 |
| 5. Village Housing Projects Scheme | 1957 | 80,111 | 50,525 |
| 6. Slum Clearance Scheme | 1956 | 1,36,396 | 83,804 |
| 7. Jhuggi Jhompri Removal Scheme (for Delhi only) | 1960 | 1,00,000 | 78,403 |
| 8. Subsidised Housing Scheme for Plantation workers | 1956 | 6,953 | 1,747 |
| 9. Scheme for Provision of Housing sites to Landless Workers in Rural areas. | 1971 (October) | .. | .. |
| 10. Scheme for Environmental movement of Slums | 1972 (April) | .. | .. |

3.37. Asked if Government were satisfied with the progress of these social housing schemes and the steps taken by Government to expedite the construction of houses under these schemes, the representative of the Ministry of Works and Housing stated, during evidence before the Committee:—

“About the Scheme introduced by the Ministry and the social housing schemes, it was brought out that in the Fourth:

Plan there had been an improvement in the overall performance and that in the next two years of the Plan we would have Rs. 50 crores as against an annual performance of Rs. 34 crores. There might be a shortage of money for this purpose, but this does not mean that the overall requirements have been met by this. We would certainly like that the allocation for the Housing Sector is increased considerably but since we are tied to the Fourth Plan so far, what we hope is that in the Fifth Plan we will take up a larger scheme and programme for social housing."

3.38. Asked if he was satisfied with the progress of these schemes, he replied:—

"Within the constraints on us, we are doing Rs. 34 crores when there are only 25 and 27 crores available. We will probably ask for a little more money in the last year of the Plan."

3.39. The Committee note that the Ministry of Works and Housing has introduced 10 Social Housing Schemes to meet the housing needs of the economically weaker sections of the society, industrial workers and low income group of people etc. The Committee also note that since the inception of the scheme about 8 lakh houses have been sanctioned out of which about 6 lakh houses have been constructed. The Committee feel that looking at the needs of economically weaker sections of the society and the magnitude of the housing problem, programmes made under these schemes so far are far from adequate and much more vigorous and concerted efforts are needed to meet the problem.

3.40. The Committee note that even in the case of middle income group housing scheme which was introduced as early as 1959, only 34520 houses have been sanctioned for construction throughout the country out of which only 25730 houses have actually been constructed so far. Similarly in the case of Integrated Housing Scheme for industrial workers and economically weaker sections of society which was introduced in 1952, only 2,29,992 houses have been sanctioned for construction out of which only 1,76,275 have actually been constructed. The position is worst in the case of Subsidised Housing Scheme for plantation workers which was introduced in 1956 and in which 6,953 houses were so far been sanctioned for construction and only 1,747 that is nearly 25 per cent have only been constructed so far. The Committee are distressed to note that the physical results achieved in respect of the Social Housing Schemes are very unsatisfactory. The Committee feel that the State Governments have not taken sufficient steps to set up implementation machinery to implement the various housing schemes and have not given sufficient prio-

riority to these schemes. The Committee urge that the implementation machinery at the field level needs to be geared up and strengthened and vigorous steps are needed to be taken to implement these housing schemes.

3.41. The Committee have, however, noted that the programmes under the schemes during the Fourth Five Year Plan has been better and that in the Fifth Five Year Plan much larger scheme and programme for social housing scheme is expected to be taken up. The Committee would like to emphasis that the success of these schemes will largely depend upon the setting up properly coordinate implementation machinery and provision of sufficient funds and priority by the State Governments. The Committee hope that the schemes will be given to proper priority and importance that it deserves.

E. Housing for Government Employees

3.42. It has been stated by an eminent economist in his evidence before the Committee:—

“The Government is not in a position to provide housing even to their own employees and in a city like Delhi, people have been on the waiting list for twenty years. How do you expect the Government to provide housing to each and every family?”

3.43. Asked about the position of housing in respect of Central Government employees, the representative of the Ministry of Housing stated, in his evidence, before the Committee:

“This is a question of overall investment in housing. It is no doubt true that in Delhi for Central Government servants in the general pool for accommodation, the present overall satisfaction is only 42 per cent, but later on, in the Fifth Plan there would be a greater percentage of satisfaction. A very large programme for construction of houses for Central Government Servants is proposed to be taken up and in the next year of the Fourth Plan also, we are building 3,363 houses. So it is no doubt a fact that today the Central Government's satisfaction is only 42 per cent but we hope to bring it to 75 per cent by the end of the Fifth Plan.”

3.44. Asked about the percentage satisfaction of housing in each category of Government employees and the period for which these employees have been on the waiting list, the representative of the Ministry of Works and Housing stated:

“One way of working at the problem is percentage satisfaction. But, it is not the only way of looking at it because under the percentage satisfaction, you will find that category-wise, the percentage varies—in some it is relatively high, but in some categories, it is quite low. The categories as you know are Types I to VIII. There are 8 types under the present classification for Central Government Servants in general pool accommodation. The percentage satisfaction as on 1st January, 1972 is as follows:—

| | |
|-----------|-------|
| Type I | 49.2 |
| Type II. | 26.02 |
| Type III | 48.65 |
| Type IV | 64.54 |
| Type V | 68.00 |
| Type VI | 75.00 |
| Type VII | 77.00 |
| Type VIII | 88.00 |

People have been on the waiting list and those who are on the waiting list cannot be necessarily without any house. They are being given the next lower category. But it is no doubt true that there are people waiting in some categories varying from 20 years. In some of the higher categories also, it is 12 years. For example, in Type VI, it is nearly 12 years whereas in the lower categories, it is larger. Therefore, the decision that Government have now taken is that the percentage satisfaction in the lower types would be enhanced. That is why we want to increase it to 75 per cent in the Fifth Plan. Today the overall number is only 41,269. We have combined two-room houses and the other type III will be a small house of three rooms so that the percentage in that category is brought up by adding 28,265 quarters and we have prepared a plan for Rs. 84 crores.

3.45. In reply to Unstarred Question No. 1978 in Lok Sabha dated 5th March, 1973, it has been stated by the Ministry of Works and Housing that:—

“According to application received for allotment of general pool accommodation in Delhi|New Delhi, there are at present 7,535 officers entitled to Types I to IV who have put

in more than 18 years of service and are still waiting for allotment.”

In reply to Unstarred Question No. 1899 in Lok Sabha dated 5th March, 1973, the Ministry of Works and Housing have stated:—

“The completion of quarters depend upon various factors like availability of funds, materials, sites, approval of plans by local bodies and provision of bulk services by local bodies. It is, therefore, not possible to indicate the exact target dates of completion of these quarters. It cannot be anticipated at these stages by which time the Government will be in a position to provide accommodation to all the employees who have put in more than 10 years service.”

In respect of residential accommodation in the general pool at Bombay, Calcutta, Madras, etc., the Committee have been furnished with a statement which may be seen at Appendix II.

3.46. The Committee regret to note that the position in respect of provision of houses for the Central Government employees in Delhi is very unsatisfactory and on 1-1-1972 only 42 per cent of the employees had been allotted houses. The Committee have noted that there are at present 7,535 officers to Type I to IV who have put in more than 18 years of service and are still waiting for allotment and that the position is worst in the case of low-paid employees viz. Type II where the percentage of satisfaction is only 26.02 per cent. The Committee are unhappy to find the most of these employees particularly low-paid employees are living in unhygienic and congested areas paying exorbitant rents and have to come to their place of duty from long distances which has been affecting their efficiency adversely. The Committee urge that Government should pay immediate attention to this problem and make concerted efforts to improve the position.

3.47. The Committee have been apprised by the representative of the Ministry of Works and Housing during evidence that Government propose to provide houses to 75 per cent of its employees by the end of the Fifth Five Year Plan and have prepared a plan for Rs. 84 crores in this regard. The Committee hope that this plan would be taken in hand in right earnest and the target of 75 per cent achieved early at least in respect of lower types.

3.48. The Committee would, however, like to point out that even the completion of these quarters would depend upon a number of factors like availability of funds, materials, sites, approval of plans by the Local Bodies and provision of bulk services by local bodies. The

Committee would like Government to take coordinated action and do some perspective planning from now and to take necessary action for the completion of these quarters in time and provision of these bulk facilities by local bodies simultaneously with the completion of the quarters.

3.49. The Committee further note that the position in respect of housing for Central Government employees in some of the Metropolitan cities like Bombay, Calcutta and Madras is still worse and that in the city of Bombay, out of 23313 Central Government employees only 2480 that is 10.63 per cent have been provided accommodation. In the city of Calcutta out of 19333 employees only 1664 that is 8.06 per cent have been provided accommodation and in the case of Madras out of 6652 employees only 397 that is 5.96 per cent have been provided accommodation. The Committee feel that housing conditions in all these Metropolitan cities is very acute and the Central Government employees particularly low-paid employees are not in a position to pay high rents being charged in these cities, Government should, therefore, take immediate steps to construct accommodation for the Central Government employees in these cities also on a priority basis and make concerted efforts to increase the percentage of satisfaction at least equal to that of Delhi.

F. Housing for employees working in Public Undertakings/Autonomous Organisations

3.50. After Independence, a number of new public undertakings have come into existence in the country and the number of employees in these public undertakings is also quite substantial. Asked to state the position regarding percentage satisfaction of housing needs of employees in various undertakings, the Committee have been furnished with the following statement by the Bureau of Public Enterprises:—

| S. No. | Name of Undertaking | Number of Employees | Number of Housing units constructed | Percentage satisfaction of Housing |
|--------|---|---------------------|-------------------------------------|------------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 11. | Hindustan Steel Ltd., Bhilai | 39,628 | 18,345 | 46% |
| 12. | Hindustan Steel Ltd., Durgapur | 28,283 | 16,548 | 59% |
| 13. | Hindustan Steel Ltd., Rourkela | 32,175 | 16,426 | 52% |
| 14. | Neyveli Lignite Corporation, Neyveli | 17,663 | 11,315 | 65% |
| 15. | Hindustan Antibiotics, Pimpri | 2,232 | 941 | 42% |
| 16. | Heavy Engineering Corporation, Ranchi | 17,706 | 10,747 | 61% |

| 1 | 2 | 3 | 4 | 5 |
|-----|---|----------|--------|--------|
| 7. | Mining & Allied Machinery Corporation, Durgapur | 5,934 | 3,006 | 51% |
| 8. | Pyrites, Phosphates and Chemicals Ltd. | 2,074 | 564 | 27% |
| 9. | Hindustan Organic Chemicals Ltd. | 820 | 312 | 38% |
| 10. | Indian Drugs and Pharmaceuticals Ltd. | 7,644 | 2,710 | 36% |
| 11. | Uranium Corporation of India | 2,506 | 1,270 | 51% |
| 12. | Bharat Heavy Electricals Ltd. | 13,884 | 7,988 | 57% |
| | | 1,70,549 | 90,172 | 52.87% |

3.51. These figures are based on data received for Annual Reports (1970-71) of these undertakings. It has further been stated the statement does not include information in respect of undertakings such as Bokaro Steel Ltd., which are still under construction."

3.52. The Committee on Public Undertakings (Third Lok Sabha) in their Eighth Report on "Township and Factory Buildings of Public Undertakings" had stated:—

"Most of the public undertakings have not taken any advantage of the Subsidised Housing Scheme for Industrial workers under which financial assistance to the extent of 75 per cent (25 per cent as outright subsidy and 50 per cent as loan) of the cost of houses for workers drawing pay upto Rs. 350 per month is admissible. It is surprising that neither the Administrative Ministry nor the Finance Ministry brought this scheme to the notice of the public undertakings and instead on their availing of the assistance. On the other hand the scales and standards of accommodation fixed by Government in 1960 for public sector projects were higher than those prescribed under the scheme thus making it impossible for the public undertakings to avail of the assistance. The proper course would have been to review the scales and standards of the Subsidised Housing Scheme and to bring them on par with those prescribed in 1960 for the public sector projects. This was, however, not done and the public undertakings were placed at a handicap. The Committee recommend that Government should now review the

position so as to enable the public undertakings to avail of the assistance under the Subsidised Housing Scheme. Since funds for this scheme are made available by the Central Government, it is but proper that the public undertakings should get this assistance direct from the Centre rather than through the agency of the State Governments."

The Committee have further stated:

"In a planned and rapidly developing economy, like ours, there are bound to be various compelling demands on the public resources. The provision of houses in public undertakings is no doubt necessary but more urgent is the need to utilise the available capacity. It is, therefore, desirable that investment on housing should be kept as low as possible. One way of doing so would be by resorting to cheaper structures of semi-permanent type with a life expectancy of 20 to 30 years. Apart from economy, this would enable the public undertakings to construct houses according to the changing pattern and ideas. The Committee recommend that the economics of putting up such houses should be thoroughly got examined by Government, if necessary in collaboration with the National Buildings Organisation and the Central Building Research Institute."

3.53. The Committee note that the various Public Undertakings have been constructing Townships for their employees and at present about 53 per cent of the employees working in the Public Undertakings have been provided houses. In this connection, the Committee would like to point out that the Committee on Public Undertakings of the Third Lok Sabha in their Eighth Report on "Townships and Factory buildings of Public Undertakings" had made a number of recommendation in respect of construction of houses and Townships by the Public Undertakings viz. need to observe the utmost economy in expenditure, to avoid the construction of bungalows etc., and to maintain continuous consultation with the National Buildings Organisation etc. and the Central Building Research Institute regarding construction of houses for their employees. The Committee had also emphasised the need for availing of the assistance under the subsidised Housing Schemes by the Public Undertakings. The Committee hope that all these recommendations would be kept in mind by the various Public Enterprises while constructing houses and Townships for their employees.

CHAPTER IV

LOW COST HOUSING

A. Importance of Low Cost Housing

The importance of low cost housing in the present context of the housing situation in the country is self-evident. The economic level of the vast majority of the people and *per capita* annual income does not permit them to live in large and costly houses or to pay high rent for these houses. According to the Report of a National Survey conducted by the Operations Research Group, Baroda relating to the housing conditions and paying capacity of the masses in Gujarat in the year 1970, it is found that, "Analysis of the data collected for the cities having a population of over one lakh in Gujarat shows that standard housing of a value of Rs. 6,000 is beyond the means of 51.6 per cent of the families in cities where population is over one lakh as against 62.3 per cent in smaller cities and 80.3 per cent in villages. Thus the standard house of Rs. 6,000 and having a plinth area of 280 sq. ft. as envisaged for review of standard of accommodation under the Integrated Subsidised Housing Scheme would not meet the needs of weaker sections of population unless it is heavily subsidised."

4.2. Regarding the steps taken in the direction of evolving low cost housing in the country, an eminent economist has submitted in his memorandum to the Committee:—

"For the last 20 years we have talked of low cost housing and yet very little has been done by way of such housing. Much more emphasis must be put on research to develop low cost housing, revise the obsolete norms of housing standards and draw up meaningful housing programmes at the district level. This has not been done so far."

4.3. Asked to elaborate, the economist stated in his evidence before the Committee:—

"This low cost housing has a long history behind it. We started with the Swedish experiment, but that experiment failed miserably. Seminars, Conferences and exhibitions were conducted to experiment this scheme but nothing much has been done. However, there are some

success stories; for example, recently the Gujarat Government organised a workshop in Baroda and several architects took part in it and they prepared a concrete proposal to build low cost housing. They want to construct 30,000 such houses in the next decade on the pattern of self-help scheme.... The fact remains that if you really make a serious attempt we have enough expertise in this country, many architects, town-planners and engineers who could surely tell you how to construct houses at a modest level keeping Indian income levels in mind—we can draw up a meaningful housing programme at the local level.... There are so many researches that have to be done. This is a subject where foreigners cannot help. For low cost housing we have to make a very big and determined effort. We are still governed by P.W.D. standards and these standards and norms are a hundred years old which must be scrapped and new norms must be set up. Otherwise, there is no co-ordination between research and policy between policy and implementation. The difficulty is whether we accept this philosophy of low cost housing. We have not. Why introduce gradation, say, Type A, Type B and Type C, when you say that we are passing through a difficult phase, we do not have the money to solve the housing problem. I think, there should be a total ban on the houses which have more than two bed-rooms. There should be a ban on open space, size of the building etc. If you do all these things, you will make a contribution to the solution of the housing problem.”

4.4. In a Memorandum submitted to the Committee, an Institution of Architects has stated:

“The research in building technology presently carried out is insufficient, fragmentary, *ad hoc*, abstract and unrelated to the needs and realities of housing. If any breakthrough is to be made in housing economy, it will be only through technical revolution. Massive efforts are needed to be invested to bring about such a revolution and this should be integrated with manufacturing construction and design activities for housing. There should be a National Research Board consisting of people drawn from manufacturing and construction agencies, design professionals and research organisations to map out short term and long term research and implementation as well as develop feed-back mechanism. Research should be decentralised.”

4.5. Another leading organisation of Architects have stated in their Memorandum submitted to the Committee:—

“Research in producing cheaper houses, in our country, has not been extensive enough to be able to make any significant impact on the housing situation. The availability of the building material and local building practices vary from region to region. The Central Building Research Institute, Roorkee has done some notable research in some aspects. However, the agencies responsible for large scale construction such as C.P.W.D., M.E.S., Railways etc., have failed to utilise the results of such research thereby reducing the cost of housing.... A large scale effort on meaningful research is called for. Research should not only be directed to building technology but should also encompass all disciplines which will form the design team in a related and integrated manner. Research effort has to be on a continuous basis with well defined objectives and goals. There should be a well structured feed-back process between research and implementation.”

4.6. A leading town and country planner has stated in his Memorandum to the Committee:—

“We have central organisations, such as Building Research Institute Roorkee, the National Buildings Organisation, the Hindustan Housing Factory etc. Unfortunately, all these organisations are operating individually without a dialogue amongst themselves to optimise the efforts collectively. The Central Building Research Institute have conducted various research projects on new material and new methods of construction etc. In the absence of testing the efficiency of these results at sites, even the Government organisations, such as the Central Public Works Department, are not prepared to accept them. What is necessary is first of all to get out of the traditional orthodoxy of methodology adopted by the Central Public Works Department and encourage new experiments in materials and construction methods. A combined effort by the institutions mentioned above for research, application of research and its dissemination to various construction agencies is necessary. The National Building Organisation instead of merely being a repository of information on building materials etc., should sponsor experiments based on research conducted by the Central

Building Research Institute. If these are found successful, they can then be passed on to the Hindustan Housing Factory for mass production purposes."

4.7. The Central Building Research Institute, Roorkee in a Memorandum submitted to the Committee have stated:—

"Accelerated development of housing in the country could be effected by ensuring adequate supply of essential building materials like cement, steel and bricks at economical prices and encouraging the use of improved techniques of designs and construction to save on labour and material. Improvement in the housing techniques can be achieved by adopting results of research carried out at research institutes as well as Rural Housing Wings and constant review of the performance of the traditional, conventional and new methods. Some of the processes/techniques/materials developed by the C.B.R.I. are given below:—

(a) Prefabricated roof/flooring schemes:

These consist of using precast concrete units like cored, channel, collular and waffle. These give reduction in the consumption of scarce materials like cement and steel and the construction time.

(b) Lightweight clay-bonded fly-ash bricks.

They, apart from reducing the weight in the brickwork, reduce the coal consumption in firing about 4 tonnes for every one lac of bricks.

(c) Lightweight clay aggregate.

A substitute for dense stone-aggregate in all concrete work in areas where stone aggregate are very costly, e.g., Calcutta region.

(d) Single stack system of plumbing.

Doing away with the waste water and vent stack altogether results in a saving of about 30 to 40 per cent.

(e) Production of better bricks from inferior soils and rationalisation of brickwork by adopting single thickness wall.

(f) Mechanised production of bricks through the installation of smaller economical plant. This would, apart from increasing the rate of production, improve the quality also considerably.

(g) Rationalisation of building practices:

- Improvement in the method of brick laying, plastering, transporting and hoisting building materials, designing and building framework, etc., would increase the production capacity of both skilled and unskilled labour, saving in time and labour cost.
- (h) Rationalisation of house designs through the adoption of dimensional co-ordination and system building.
- (i) Use of Industrial wastes like fly-ash, coconut fibres, furnace slag, sugar press mud, in producing building materials, and the use of fly ash in the direct replacement of cement."

4.8. Asked to state the steps for evolving new building techniques and reducing building construction cost, the representative of the Ministry of Works and Housing stated in his evidence before the Committee:—

In the matter of evolving new techniques and reducing building construction cost by the use of substitute materials, the activities of the National Buildings Organisation, the Housing and Urban Development Corporation, the Central Building Research Institute, Roorkee, Regional Housing Boards etc., are being co-ordinated. In fact, recently there was a technical committee for research and co-ordination which has made suggestions about the use of a substitute called fly ash which is got from the thermal stations. Power Stations produce fly ash, which is got from the thermal stations. Power Stations produce fly-ash, which normally is thrown out and is not made any use of. The use of that in cement reduces the quantity of cement. It has been tested and they say that a mixture of 10—15 per cent of fly-ash gives the same strength and the use of pure cement is a wasteful use. In Tamil Nadu, we have set up a Cellular Concrete Plant for this. In Delhi itself, the C.P.W.D. have built experimental houses using fly ash, 15 to 20 per cent. They have built 300 houses, 4 storeyed, and they have reported satisfactory results by the use of such material. A Seminar was also conducted on the use of fly ash. The intention is to promote increasing use of the material."

4.9. The representative of the National Buildings Organisation stated before the Committee:—

"The Central Building Research Institute and other research institutes conduct research in the laboratory. The results

of the research are taken to the field on experimental basis by N.B.O. The N.B.O. has an experimental housing scheme from which it finances such experimentation in the field. Now, where there is any proposal for grant of loan for setting up any building material industry made to HUDCO, it is passed on to N.B.O. for technical scrutiny and recommendations. N.B.O. examines in detail and sees if the facts and figures are correct, then N.B.O. make their recommendations whether such loans should be granted or not. The co-ordination at all the stages with the three agencies is made by N.B.O. As far as States are concerned, we find that out of approximately 37 recommendations which have so far been made for adoption in the field, almost 17 recommendations have been adopted wholly or partially by them. As far as Central construction agencies are concerned they have been a little slow in adopting many of the recommendations. Of course, the C.P.W.D. have adopted some of the recommendations made by N.B.O. The fly ash which is a waste product from Thermal Power Stations has been used by the C.P.W.D. to reduce the consumption of cement upto 20 per cent as we are informed in experimental construction of 300 houses. They have also adopted some other recommendations. State P.W.Ds. are using more of N.B.O. recommendations for effecting saving in critical materials like cement and steel, perhaps because they don't get these materials in enough quantities and also they are more pressed for effecting saving in the construction cost. I must say they are more active than the Central construction agencies."

4.10. The representative of the C.P.W.D. stated in his evidence:—

"My experience, while in N.B.O. was that the application of research was slow, but not that the State P.W.Ds. were using the results of research more than the C.P.W.D. I do not fully agree with that. For example, we have put into use things like under-reamed piles in black cotton soil, 9 inch brick wall for 4 storeyed houses, high tensils deformed bars, lower ceiling heights, thin pre-cast lintels etc., whereas the State P.W.Ds. have not used these things. Of course, there are some other results of research which require some developmental work, before they can be put into practice."

Asked if fly ash was being used for construction in houses, the representative of the C.P.W.D. stated:—

“We have started in Delhi in a limited way. For example, there is some problem with DESU for issue of fly ash.”

4.11. Asked to state the reasons for not using the new construction techniques and materials on a large scale, the representative of the Ministry of Works and Housing stated:—

“On this general question of the use of results of research into the field the methods adopted are only two basically. One is trying out on experimental basis in the field. Another is to make the people know. On the question of trying out that the experiment is successful and there is no risk involved, we have thought that on an experimental basis 75 per cent of the cost of the project is covered by the Government so that the experiment is carried out and a technical Committee called the Assessment Committee goes into the new methods and techniques adopted. It was as a result of the primary work one but this that a material like fly ash has since been accepted but the administrative difficulty is that who is to do it first. In the market if there is a use of something then the supplier comes. Now the C.P.W.D. wants that the supplier come first, then we will use it. The second part is availability of the fly ash from the thermal stations. On that point, the question is that of making it available in packed form so that it can be tested and we will hereafter make it available for all the construction purposes.”

4.12. Asked about the steps taken to popularise the new construction techniques among the people, the Committee have been informed in a written note by the Ministry of Works and Housing:—

“The completion reports of the experimental projects are examined by the Experimental Housing Assessment Committee with a view to evaluating their performance and economy. On the recommendations of the Experimental Housing Assessment Committee, the Reports giving the details of economic and technical advantages of the new techniques adopted in a few experimental projects were widely circulated to all construction agencies.

National Buildings Organisation holds regional get-togethers to promote the adoption of new materials and construction techniques which have proved very successful. One

such regional get-together was held in September, 1971 at Jaipur in collaboration with the Institute of Engineers, Rajasthan Centre and the Rajasthan Housing Board. A National Seminar on Cost Reduction in Housing was organised by L.I.C. in collaboration with the National Buildings Organisation in October, 1971 at Bombay.

In addition, articles were published in technical journals of various Institutes like 'Institute of Engineers (India)'. Also papers were contributed and presented in various seminars, conferences, symposia held by other bodies etc."

4.13. Asked about the Workshop organised by the Government of Gujarat on Low Cost Housing and if attempts have been made to make these schemes popular in other parts of the country, the Committee have been informed in the written note that:—

"A Workshop Session of the leading architects, economists, officers etc., was held at Baroda on 17th and 18th June, 1972 with a view to evolving acceptable house designs cheaper in cost and also capable of taking on additions with improved economic condition of the urban weaker sections of the society. Besides the leading architects, RCC Consultants, Municipal Commissioners of Ahmedabad, Baroda and Surat also participated in the workshop. Interest evinced by the various architects to contribute their talent of design in working out such housing schemes was encouraging. It was decided to construct 20,080 tenements in seven cities of the Gujarat State spread over a period of not more than 10 years. Seven groups of architects were accordingly, constituted. Each group was required to give its complete design performance. It has been clarified by the Gujarat Housing Board that the cost of construction relates to the bare cost of construction, excluding the cost of services, land etc. Four architects have produced various designs. In one design only the cost is less than Rs. 3,500. Some more designs given by other architects are under examination by the Gujarat Housing Board. The work of construction will be undertaken shortly with the loan assistance expected from the Housing and Urban Development Corporation. The Corporation have already sanctioned the projects to be undertaken at Nadiad and Rajkot and further schemes are being submitted by the Gujarat Housing Board to the Housing & Urban Development Corporation for loan assistance.

The Government of India have not made any study of the above-mentioned housing plans. The schemes have been recently finalised by the Gujarat Housing Board and are yet to be implemented fully and successfully. It is desirable to know the public response to these cheap houses before steps are taken to popularise them in other parts of the country."

4.14. It has been brought to the notice of the Committee that the Government of Kerala have also undertaken the construction of 1,00,000 houses for the people in Kerala. Each House will approximately cost Rs. 2,000. The total cost for 1,00,000 houses and land would be around Rs. 30 crores. Till now, 10,000 houses have been completed and 50,000 more are expected to be ready shortly. The State Government has to raise Rs. 16 crores and get 6.5 million man-days to complete the project. In order to provide financial assistance to the persons allotted these houses, the State Bank of Travancore has come with a pilot project to provide financial aid to the poor people for organising their own economic activities.

4.15. The Committee note that in view of the urgent need of providing housing to large number of people in the country and low economic level of the people with the resultant low paying capacity, the problem of low cost housing has come to occupy an important place. The Committee note that according to a Survey conducted by the Operations Research Group, Baroda relating to the housing conditions and paying capacity of the masses in Gujarat, standard housing of a value of Rs. 6,000 is beyond the means of 51.6 per cent of the families in cities of a population of 1 lakh or more as against 62.3 per cent in smaller cities and 80.3 per cent in villages. The Committee feel that conditions in other parts of the country are in no way different and ways and means would have to be found to construct houses at cheap cost if any dent is to be made in the housing problem in the country.

4.16. The Committee note that although a number of research institutions in the country in the field of construction like Central Building Research Institute, Roorkee, Central Building Organisation, C.S.I.R. etc., have evolved new processes and techniques in the field of construction resulting in saving in the use of material and resultant costs, no concrete measures have yet been taken to popularise these processes or methods with the result that the agencies responsible for large scale construction like C.P.W.D., M.E.S. etc., have failed to utilise these processes in the field. The Committee have before them the example of fly ash which has been found quite a good substitute for cement to the extent of 15 to 20 per cent, but still no con-

crete steps have been taken to popularise the use of fly ash in construction of buildings by C.P.W.D. etc. It has been admitted by the representative of the Government in evidence that as far as Central Construction agencies are concerned, they have been a little slow in adopting many of the recommendations of the N.B.O. The Committee are surprised that at a time when construction of houses in the country is suffering because of non-availability of building material like cement, bricks etc., and consequent high price of the building material, no serious efforts are being made to utilise the substitute material in the construction of houses to effect reduction in building cost and to augment the implementation of the housing programme.

4.17. The Committee recommend that serious efforts should be made by the research institutions etc. to evolve new processes/methods etc., to effect economy in the use of building material etc., and find cheap substitutes for cement, bricks, timber etc., taking into consideration the local conditions. Once the processes/methods are evolved by these research institutions, these should be passed on to National Buildings Organisation to test its effectiveness and proper use in an urgent manner. Once these are found effective, these should be passed on to construction organisations like C.P.W.D., N.B.C.C., M.E.S., etc., for use in the field. The Committee recommend that all these organisations should function in complete co-ordination and mutual understanding so that maximum benefits could be derived from the research done in the field of economy in construction costs.

4.18. The Committee note that the Government of Gujarat have taken some steps to evolve new designs of low cost housing at a cost of Rs. 3,500 and even less and for this purpose the Government of Gujarat organised a workshop on low-cost housing and some designs are already under their consideration. The Government of Kerala have also taken up construction of houses at a cost of Rs. 2,000 each on the plots of land allotted to the landless labourers under the scheme of Provision of Sites to Landless Workers. The Committee feel that these efforts are steps in the right direction and the Government of India should take effective measures to popularise these schemes in the remaining States also.

4.19. The Committee note with great regret that no concerted effort has been made by Central and State Governments' building organisations or research institutes to evolve a design which would be most suited to the requirements of persons coming from the weaker sections of the society. As the result of survey conducted in Gujarat has shown, more than 50 per cent of the persons living in

bigger cities cannot afford to have a house costing Rs. 6,000 or more. The position in small cities is still worse. The Committee feel that if houses for millions have to become a reality, the first and foremost task is to evolve a realistic design which would make it within the reach of these millions. There is need for intensifying research in building techniques in the use of alternative cheaper material, the adaptation of local materials and above all, in evolving a design which would be a realistic one and within the reach of these millions in the weaker sections of our society. The Committee see no reason why the initiative taken by Gujarat and Kerala should not have been initiated at least a decade earlier so as to evolve by now a proven method for alleviating the over-congested condition of living and unchecked growth of slums in larger cities of the country. The Committee would like Government to review the position at the highest level and take effective measures to bring about close coordination and integration in the activities of the Central and State organisations, building agencies and research institutions so as to evolve the most economic, workable and realistic design by providing low cost housing for the masses. The Committee should not be understood as advocating a monotonous standardisation in housing. They want only to underline that the layout, the design and the construction should be such as to be within the reach of the masses and that the Government help and assistance should be so organised as to be available to the weaker sections of society.

B. Role of National Buildings Organisation

4.20. The National Buildings Organisation was established by Government of India in the Ministry of Works and Housing in 1954. The objectives and functions of the Organisation are to ensure the best use of national resources, to co-ordinate the efforts and findings of agencies engaged in technical activities, to promote the standardisation of manufacture of improved materials and acceptance of new methods of construction and to provide information and technical assistance to Government organisations and agencies. One of the important functions of the Organisation is to serve as a clearing House of all technical information and results of research and to achieve this, the Organisation is engaged in collection, collation and documentation as well as dissemination of building information and results of research through various media such as, organising seminars, symposia, conferences, training courses, lectures, film shows, demonstrations, permanent exhibitions, publications etc.

4.21. The National Buildings Organisation seek to achieve reduction in building cost and improvement in quality through promotion and co-ordination of research in building materials, techniques and

designs and also sponsors research schemes where necessary and disseminates the results. For bringing about application of results of research it has established two-way channel between the research workers on the one hand and practising engineers, architects and builders on the other, to ensure that the problems of the field are conveyed to the research workers to direct the building research on practical lines.

Composition and Structure of the N.B.O.

4.22. The National Buildings Organisation functions under the administrative control of the Union Ministry of Works and Housing and derives its funds from the Central exchequer. The day-to-day activities of the National Buildings Organisation are directed by a Standing Committee of which the Member concerned, Planning Commission is the Chairman and 44 members including representatives of Ministry of Works and Housing, Planning Commission, Chief Engineers of Central Construction departments like C.P.W.D., M.E.S., Railways, Director General of C.S.I.R., Indian Standards Institution, National Council of Applied Economic Research etc. The Standing Committee usually meets once or twice a year to review the report on activities of the organisation and to approve its future work programme. So far 21 meetings of the Standing Committee of the National Buildings Organisation have been held.

4.23. The overall control and direction of the National Buildings Organisation is vested in the National Buildings Council of which the Union Minister of Works and Housing is the Chairman and the Minister-in-charge of P.W.D.'s in the different States are its members. So far only four meetings of the National Buildings Council have been held. The Council had been broadly reviewing the work done by the Organisation and formulating resolutions to direct its activities and for implementing the work done by it. The last meeting was held in 1962 after which the Council has not met.

4.24. Soon after its inception, a team of U.N. Experts visited the organisation to study its working recommended that the organisation may be given an international status by making it United Nations' Regional Housing Centre for Hot and Arid Regions of ECAFE. Accordingly, since 1958, the N.B.O. started functioning as such. The Member countries of ECAFE have appointed Liaison Officers to the Centre to carry forward the work done by it. The Centre has also organised training courses and symposia and seminars in which some Member-Countries of the ECAFE have participated.

4.25. Asked about the reasons for not holding any meeting of the National Buildings Council for the last 10 years, the representative of the Ministry of Works and Housing stated before the Committee:—

“N.B.O. has two tiers, Standing Committee and the National Buildings Council. The reasons why Council was not called was that the Housing Ministers have been meeting every year or after 1½ years or after two years. Issues have been the same as that were discussed in the Housing Ministers’ Conferences. If you see the proceedings of the Conference held in 1967 in Madras, in Bangalore in 1969 and in Delhi in 1971, it will be found that the Committee or the Sub-Committee has been going into the subjects which are covered by N.B.O. We thought that it was duplicating it. Technically, it is a dead letter. But the Standing Committee is operating and it has been expanded. It has been meeting regularly.”

Rural Housing Wings of N.B.O.

4.26. It has been stated by the Ministry of Works and Housing that “Six rural housing wings had been set up in 1958 on regional basis by the Ministry of Works and Housing for undertaking research, training and extension work in the field of rural housing and village planning. The wings are functioning under the aegis of N.B.O. At present only five wings are in existence.”

4.27. Asked about the functions and achievements of these rural Housing Wings, the representative of the National Buildings Organisation stated before the Committee:—

“The main functions of the Rural Housing Wings are:—

1. To conduct training courses, in rural housing and planning, for overseers and Block Development Officers engaged in rural housing work.
2. To undertake research in the improvement of local materials, evolve improved designs of the rural houses for the particular region in which the Housing Wing is located.
3. Construction of improved demonstration houses which are generally built at places where rural population gathers in large numbers such as fairs etc.

So far over 2000 overseers and BDOs have been trained in several training courses for assisting the rural develop-

ment programmes, by construction of improved rural houses as well as promoting the use of locally available materials which have been improved in their durability by the research conducted in Rural Housing Wings. Till to date, the Rural Housing Wings have built approximately 78 demonstration rural houses in various parts of the country. Out of these, two were destroyed by heavy rain and all others were sold out or rented out to the villagers. Consumer reaction on the livability of the rural demonstration houses is observed periodically and further improvements are made."

4.20. Asked if the National Buildings Organisation has been successful in achieving its objectives, the Committee have been informed in a written note by Government that:—

"By and large, the N.B.O. has generated various activities towards fulfilment of its objectives. In India, its works in active collaboration with socio-economic, building and engineering and research institutions. It also maintains close liaison with International Organisations doing similar work. Results of research emanating from various research laboratories are tried in experimental constructions and those found advantageous economically and technically are widely propagated for adoption. The organisation has particularly done useful work in the matter of laying down norms and standards for different types of buildings, establishment of new building materials industries, studies and surveys connected with housing and collection of housing and building statistics and dissemination of technical information through various media such as seminars, symposia, conferences, training courses, lectures, library and film library service, Display Centres, and through technical publications and other literature etc. By promoting the adoption of new techniques and substitute materials in construction, economy in construction cost has been effected."

4.29. Asked if any assessment of the working and achievements of N.B.O. have been made by any official/non-official agency, the Committee have been informed:—

"The standing Committee of the National Buildings Organisation which guides and directs its activities, reviews its activities from time to time. Assessment of work of the

N.B.O. has, however, specifically been done on two occasions as mentioned hereunder:—

- (i) Through a Sub-Committee of Standing Committee (with Maj. General Harkirat Singh as Chairman) constituted in January, 1965.
- (ii) Through a Sub-Committee of Standing Committee (with Maj. General B. N. Das as Chairman) constituted in 1968.

Broadly, the recommendations emanating from the above assessment are as under:—

- (1) The Organisation should be made an autonomous body. A percentage levy should be collected from the Building Industry to create a fund required for activities of the Organisation.
- (2) Till such time the N.B.O. becomes an autonomous body, it is essential that the national character of the Organisation is enhanced and the organisation given greater freedom to accomplish its work programme. It has been suggested that the budget and the staff should be increased substantially to enable the organisation to discharge its heavy responsibilities satisfactorily. Also to take effective steps to attract the best talent in the country on the N.B.O. staff and create permanent staff to ensure continuity of work.
- (3) The N.B.O. should extend its activities of studies, research and development in the fields of planning and design of housing, tall buildings, industrialisation of building process.
- (4) It should intensify its work of dissemination of results of research through more publications, training courses etc. More effective application of research should be brought about through experimental construction by making available full 100 per cent grant-in-aid to the sponsoring agencies and through putting up more prototype buildings and pilot plants for production of materials, including planning and designing of some actual projects. Essential studies pertaining to housing statistics and socio-economic aspects should be conducted directly by the Organisation's staff.

- (5) Rural Housing Wings should be strengthened and retained on a continuing basis.

A comprehensive assessment of the work and role of N.B.O. is being done by the Standing Committee of the National Buildings Organisation. Further action will be taken on receipt of their Report."

4.30. The Committee note that the National Buildings Organisation was set up in 1954 to ensure the best use of national resources and to co-ordinate the efforts and findings of agencies engaged in technical activities and the organisation is also expected to provide information and assistance to Government Organisations and agencies and to serve as a clearing house of all technical information and results of research. The Committee also note that to achieve these objectives the Organisation has arranged a number of Seminars, Conferences, lectures, training courses and has brought out a number of publications, etc. As the construction of houses is still being carried on the conventional lines and old designs with the use of age old material and techniques, the Committee feel that the National Buildings Organisation has not been able to discharge its functions effectively.

4.31. The Committee note that the working of the National Building Organisation has been the subject of a number of reviews by expert bodies and that at present its functioning is also being examined by the Standing Committee of the Organisation. The Committee would like to stress that the success of the National Building Organisation should largely be judged in terms of the subjects with special reference to the break-through it has made in the field of substitution of materials by cheaper ones and by evolving designs for low cost housing, particularly for weaker sections of society. The Committee would also like that the National Building Organisation should pick out problems which are related to live issues faced in the field particularly in the matter of construction of houses for the masses and that care should be taken to see that the research carried out does not result in avoidable overlap and duplication.

4.32. The Committee are not convinced that merely because the Housing Ministers have been meeting every year or alternate year, the National Building Council which is the Governing Body for the National Building Organisation should not have met. The Committee feel that the responsibilities in this behalf cannot be left solely to a Standing Committee which consists mostly of officials. The Committee feel that if the National Building Organisation is to function in a realistic matter to tackle the problems which are experienced in

the field by States, it is of the utmost importance that its functioning should be reviewed at least once a year by the Governing Council, comprising of representatives of States so that its achievements can be critically examined with reference to the extension work done in the field and the future programme suitably modified to pay greater attention to problems faced in the field.

4.33. The Committee note that the National Buildings Organisation has set up Rural Wings whose main functions are to undertake research in the use of local materials, evolve new designs of rural housing for the particular region, construction of improved demonstration houses and to conduct training courses in rural housing for overseers and B.D.O.'s engaged in rural housing work and upto now, the Rural Housing Wings have built approximately 78 demonstration rural houses in various parts of the country. The Committee feel that rural housing is a field where much more research in the matter of use of local materials and new designs of houses in different regions has to be done and the efforts made so far have not been able to make any appreciable impact on the problem.

4.34. The Committee regret that the National Building Organisation has not paid serious attention to the problem of rural housing which was made one of its responsibilities right from its inception in 1958. If the National Building Organisation had made concerted efforts on its own and in conjunction with other research institutes, architectural and building organisations, we would have by now evolved model rural houses suited to the requirements of different areas in States. This remains largely unrealised as would be evident from the fact that so far, the National Building Organisation in 14 years of its existence has developed only 78 houses in rural areas. As pointed out elsewhere in the Report, there is need for making a concerted and intensive effort to evolve a realistic design which would be within the reach of the millions and which would use materials readily and easily available and would serve best the essential needs of the occupants. The Committee in particular would like the National Building Organisation to pay special attention to the new and bold experiments which are being carried out in Gujarat and Kerala to evolve such designs and construct houses for masses so that these could be improved upon and adopted for extensive implementation in other States.

C. Experimental Housing Schemes

4.35. In order to bridge the gap between the recommendations of the building research institutes for the utilisation of new and improved building materials, adoption of new building techniques.

their actual application in the field and to help in conversion of the 'know-how' of the laboratory to the 'showhow' in the field, an Experimental Housing Scheme was introduced by the Government of India. The objectives of the scheme is to undertake field trials of new ideas arising out of research work and to observe under actual living conditions, the behaviour of structures so constructed.

4.36. Under the scheme, projects incorporating new techniques are approved for experimental construction by an Assessment Committee which also sanctions grant-in-aid upto 75 per cent of the cost of a work. In case of any experimental failure full financial risk of the project is covered. The project for experimental construction could be sponsored by Central and State Governments Construction Agencies like P.W.Ds., Housing Boards, Technical Universities, Research Institutions. Government of India's undertakings and some other Government|autonomous bodies etc.

4.37. Under the Experimental Housing Scheme so far, 21 construction projects of a total estimated cost of Rs. 92 lakhs (approx.) have been approved by the Assessment Committee. The amount to be met by N.B.O. under Experimental Housing Scheme is Rs. 27 lakhs (approx.) Out of 21 projects, 12 projects have been completed and the remaining are at various stages of execution. After completion of projects, their reports are considered by the Experimental Housing Assessment Committee, and after Committee's approval, these are widely circulated to various construction agencies all over the country.

4.38. It has been claimed by the Ministry of Works and Housing that:--

"The main feature of the completed Experimental Project is their adoption of new construction techniques and building materials which ordinarily are not used in the traditional construction.... The purpose of introduction of these materials and techniques in experimental construction project is to reduce the cost of construction and use of scarce materials and to evaluate their performance for wider adoption in the field. Considerable economy in construction could be achieved by adoption of these new materials and techniques on a large scale. Some of the new techniques and materials adopted in experimental project are as under:—

New Techniques:

1. Under-reamed pile foundation in black cotton soils.

2. Use of hyperbolic paraboloid footings in soils having low bearing capacity.
3. Leaner Cement Concrete for foundation and under floors.
4. Brick Cavity Walls.
5. Four storeyed construction with 9" load bearing walls in all the floors using high compressive strength bricks in ground floor and ordinary bricks in other floors.
6. Precast RCC frames for doors and windows.
7. Thin precast RCC lintels.
8. Double Curved shell roof.
9. Precast & prestressed concrete folded plate roof.
10. Precast channel units for floors and roofs.
11. Cored units for floors and roofs.
12. Precast battens and hollow blocks with 2" thick cast-in-situ 1:2:4 cement concrete and nominal reinforcement on top for roofs and floors.
13. Partially prefabricated framed structure with precast RCC columns and beams.
14. Single stack system of plumbing.

New Materials:

1. Polythelene Damp Proof Course.
2. Walls of Special hollow cinder blocks.
3. Light weight aggregate concrete blocks for partitions.
4. PVC pipes for conveyance of water.
5. Fly ash.
6. Hyderated lime.
7. High strength bricks."

4.39. The Committee note that experimental housing schemes have been introduced by the Government of India to undertake field trials of new ideas arising out of research work in the field of construction of houses and to observe under actual living conditions, the behaviour of structure so constructed and under the scheme 21 construction projects have been sanctioned and 12 projects have been completed. The Committee further note that it has been claimed by Government that considerable economy in construction could be achieved by adoption of these new materials and techniques on a large scale. The Committee feel that in view of the urgent need for reduction in the cost of houses and economy in the use of scarce building materials, utmost importance should be given to popularise the results of such new

materials and techniques of construction. The Committee recommend that after these techniques are found useful by the Assessment Committee, follow up action should be taken by the National Buildings Organisation to convey them to the mass construction agencies like C.P.W.D., State Housing Boards, M.E.S. etc., and impress upon them the desirability of adopting these techniques on a wide scale.

4.40. The Committee need hardly point out that the whole purpose underlying the concept of demonstration houses is that these should act as an incentive to others to emulate their style and mode of construction. The efficacy of the demonstration houses is to be judged with reference to this parameter. The Committee would like a review at the highest level about the impact which has been made so far by demonstration houses in order to locate the deficiencies from which it has been suffering so that remedial measures can be taken in the light thereof to improve the design, the mode of construction and the location of these demonstration houses so as to have the maximum impact.

Role of Hindustan Housing Factory

4.41 Asked to state the main functions and objectives behind the establishment of the Hindustan Housing Factory, the representative of the Ministry of Works and Housing stated before the committee:—

“It was an old factory established in collaboration with U.K. firm. After partition, it was intended to build houses and thereafter upto 1955, there was a partnership arrangement and that was terminated. Then the Ministry formed it into a Company and took over the working of the Housing Factory. So, it got, more or less, by succession, certain equipments, which were not complete in all respects for housing. So, the factory itself considered it necessary to run and design for pre-fabricated houses were drawn up. It was found that there was a good market for rural electrification programme. So, in practice, the Housing factory has been concentrating on producing electric poles for which there is a great demand by the Electricity Boards of U.P., Rajasthan, Punjab, Haryana and other adjoining areas. Thereafter, there was a request for a major programme of production of railway sleepers. But, at the same time, production of prefabricated houses has been done on an experimental basis. There were initial problems. Now we are considering of augmenting the equipments of this Factory so

that it can take up the programme of prefabricated housing. For this purpose, we have prepared another project and sought the assistance under the United Nations Development Programme. The sanction of the project has been prepared and submitted to the Economic Affairs. Unless equipments can be augmented, we cannot go in a big way."

4.42. In reply to Unstarred Question No. 97, dated the 31st July, 1972 in Lok Sabha regarding the expansion of Hindustan Housing Factory, it has been stated by the Ministry of Works and Housing that:—

"Government have under consideration a plan to expand and modernise the Hindustan Housing Factory. The main features of the scheme for expansion and modernisation of the Factory are:—

- (i) Standardisation, modernisation and rationalisation of the existing processes in the factory;
- (ii) Development of modern economical methods for large scale prefabricated housing;
- (iii) Development of most economical designs keeping in view the latest prefabrication methods and suitability with respect to climatic conditions and the particular living habits of the people and their social acceptance;
- (iv) Streamlining the existing facilities available in the Factory for manufacture of prefabricated buildings by adopting methods to achieve mass scale production, highest quality and maximum economy in the completed structures;
- (v) Installation of an additional plant for manufacturing large panels for pre-fabricated houses;
- (vi) Setting up of a design cell in the Factory; and
- (vii) Setting up of similar Factories at Bombay and Madras with modifications to suit the local conditions.

The programme is proposed to be assisted by the United Nations Development Programme—Country Programme 1972—1979. It is expected that the Programme would commence in 1973-74 and it may take 2 years thereafter to complete it.

The Programme will result in (1) increased out-put of pre-fabricated components and houses; (2) reduction in cost of houses; (3) better quality and (4) quicker pace of construction."

4.43. The Committee note that the Hindustan Housing Factory has done production of pre-fabricated houses on an experimental basis but because of incomplete equipment, the factory has not been able to make much contribution in the field of pre-fabricated housing and has been concentrating on the manufacture of electric poles and railway sleepers.

The Committee need hardly point out that all over the world impressive progress has been made in the method of manufacturing comments to accelerate the pace of construction of houses, particularly those required for industrial labour and for weaker sections of society. The Committee are disappointed that though we have the Hindustan Housing Factory in the Public Sector, it should have failed to avail of the break-through which has been achieved in manufacturing components for housing on a mass scale and instead should have diversified its activities to sleeper manufacture and electric pole manufacture on the plea of lack of some equipment for undertaking manufacture of housing parts. The Committee would like Government to review the position urgently and take action to see that the Factory concentrates on its main objective of manufacturing components for housing. The Committee are glad that the Government are having United Nations assistance for modernising this factory. The Committee would like Government to avail of this opportunity to rationalise the working of this Factory so as to facilitate the manufacture of components and parts required for housing on a scale in keeping with the requirements for mass housing. The Committee need hardly point out that if these components and parts are to find acceptance, they should be evolved with reference to Indian conditions and should be of guaranteed quality accompanied by field service and be priced most competitively. It is only then that the Factory can expect to win orders on a sustained basis and develop its activities on the right lines.

4.44. The Committee feel that as transport of components for house is a cumbersome and expensive proposition, there is need for developing such construction housing factories for manufacture of components in other parts of the country. This may, however, be done after the manufacturing activities of the existing Housing Factory have been established on successful lines.

CHAPTER V
HOUSING MATERIALS
A. Shortage of Housing Material

Availability of housing materials in requisite quantities is one of the most important factors for increasing the tempo of house building activities and successful execution of building programmes. During the Fourth Plan, a much higher investment both in the public and private sector is envisaged and it is expected that the investment in construction during the Fifth Plan will be further increased. The construction sector accounts for about 2/3rd of the total investment of capital stock of economy. Two-fifth of this investment goes into buildings (residential and non-residential) and the remainder into the non-building sector (such as roads, bridges, ports, dams, canals etc.). Out of the building sector, a sizeable portion is generally represented by the residential buildings.

5.2. The National Buildings Organisation have collected information on the requirements of building materials from various construction agencies in the country and have estimated the consumption of material in physical terms according to stipulated norms of consumption of different materials. The proportion of cost represented by building material in total cost of construction is approximately 70 per cent of which bricks and tiles, cement, iron and steel according to the Central Statistical Organisation Study constitute 7.4 per cent, 7.3 per cent, 15.4 per cent and 6 per cent respectively.

5.3. It has been represented to the Committee by an eminent economist that:—

“It is also necessary to develop housing as an industry. There has been some thinking in the Government circles that the housing industry should be developed because it generates employment of construction labour etc. I think this is a partial view of the subject. The housing industry should be developed in a big way not only to generate employment but really to generate economic growth and lessen social tensions. In order to develop housing as an industry, one must simultaneously consider the whole

range of industries like brick, cement, steel, timber, glass etc. The priorities fixed by the Railways must be geared to housing requirements. A series of related measures are also called for."

5.4. Asked about the steps taken by the Government so far to develop and encourage industries connected with housing, the Committee have been informed in a written note that:—

"Statutory Housing Boards have been set up in most of the States to undertake large-scale programme of housing on a continuous basis. Housing and Urban Development Corporation has also been established as a Government of India Undertaking to make available finances for land development, housing construction and establishment of building materials industries as well as to undertake direct construction of low and middle income housing. The Government of India have also set up Hindustan Housing Factory at New Delhi which is engaged in production of pre-fabricated building components, light concrete blocks, wood working unit etc.

The National Building Construction Corporation (NBCC) has also been set up as a Government of India Undertaking to undertake execution of construction work as a contracting agency. The N.B.C.C. has also established a mechanised brick plant for producing high strength bricks all the year round. The C.P.W.D. have also set up five departmental brick kilns with a production capacity of about 4 crore bricks per annum.

The Central Government has advanced loans and made available technical assistance in establishing a Cellular concrete plant at Madras by the Tamil Nadu Housing Board.

The Government of India constituted an Experts' Committee on methods for achieving low cost large-scale housing construction in major cities. The Committee in its report (May, 1970) had recommended establishment of factories for producing pre-fabricated building components in major cities.

N.B.O. provides technical guidance and undertakes techno-economic feasibility studies for the establishment of new building materials industries particularly utilising the industrial waste for production of building materials.

As a result of the efforts made by the N.B.O. several new building materials industries have been set up in the public as well as private sector. These include over half a dozen mechanised brick plants, two plants for asphaltic roofing sheets, two plants for producing hydrated lime, and one plant for producing sand-lime bricks etc.

The movement of coal for the brick industry is given low priority. A meeting of all concerned Departments was called by the Ministry of Works and Housing to discuss the problem of supply of slack coal to the brick industry. An estimate about the requirement of coal for the brick industry was also prepared by the N.B.O. The question of assigning high priority to movement of coal and also lime is under consideration of the Ministry of Railways.

There is however, still the necessity to treat housing as an industry and allocate a suitable position to it in the inputs required for production and distribution of building materials."

5.5. Asked if any planning has been done in respect of requirements of building materials during the various five year plans, the representative of the National Building Organisation stated in his evidence before the Committee:—

"The National Building Organisation undertakes for every five year plan the assessment of the building material especially the critical materials like cement, steel, bricks and timber for execution of all construction programme including housing. The shortfalls are looked out on the basis of the installed and the latest production figures. We have worked out such assessment figures for the Fifth Five Year Plan. Regarding the development of building material industry, we pass on the information on the anticipated shortfalls in the building materials availability in a particular region to the Planning Commission and the Ministry of Industrial Development for incorporation in their programmes of development of building materials industry. For the development of the building material industry which is in the unorganised sector, N.B.O. undertakes introduction of new innovations and machines to improve the quality and quantity of production. However, it is our apprehension that inspite of these measures, there may be shortfalls in some of the critical materials for sometime to come."

5.6. The representative of the Ministry of Works and Housing stated:

“There are two aspects. One is the overall production of material as against the installed capacity available in a particular sector. The building construction industry, neither it is a priority industry nor it is recognised industry. So the review we undertook is regarding the availability in a particular region at a given time. So the reviews have brought out that there have been difficulties in securing steel in the Gujarat area at one time, in the Maharashtra area at another time. We have intervened in this and we have been successful, of course, after persuading the Steel Ministry to make the requisite allocation in getting steel for the Gujarat Housing Programme, for Maharashtra and Tamil Nadu. The shortages are sometimes due to want of facilities and then the Ministry of Railways comes in. The overall review is another aspect. But the specific review is in relation to the housing needs.”

5.7. Asked if steps have been taken to obtain steel and cement for the housing programmes by the Housing Boards, the representative of the Ministry of Works and Housing stated:—

“We have taken up this matter with the Ministry of Steel but I must say that our success has been limited. We have been told that Steel Priority Committee will certainly give due consideration to the demands by Housing Boards and Municipal Corporation for social housing schemes and we hope that with our continuous efforts, at best, our essential needs for social housing would be met. As regards cement, according to our estimates, there also would be a shortfall of 4.4 million tonnes.”

5.8. Asked if any long-term material planning in respect of housing materials required in the next 15 years has been undertaken, the Committee has been informed in a written note that:—

“The N.B.O. prepared a note on ‘Projected assessment of building materials for the next 20 years’, for the consideration of the Expert Group for House Building Technology constituted by the Department of Science and Technology and the same is under consideration by the Group. If the successive plan investments are maintained at the present level, for accomplishing the construction programmes, the requirements of cement and

steel will increase from 17.40 million tonnes and 4.60 million tonnes during 1975 to 75.74 million tonnes and 20.60 million tonnes respectively during 1990."

5.9. In a Working Paper prepared for the Seminar on "Evolution of a National Housing and Urban Development Policy" held in April, 1972, the Ministry of Works and Housing have stated that:—

"Housing costs have inflated by over 100 per cent, during the last decade, due *inter alia* to increase in cost of building materials which constitute 50 to 60 per cent of the total cost of a house. The rise in building costs of materials is, due to (i) general inflationary trends in the economy, (ii) outstripping of demand by supply of essential building materials like cement, steel, timber etc., and (iii) negligible adoption of substitute materials. Serious shortages in production of steel, timber etc. have hampered housing. Use of substitutes has not kept pace with the increasing demand. Effective measures are called for augmenting the supply of building materials."

5.10. Asked if any study has been undertaken by the Government or N.B.O. regarding the causes and magnitude of rise in cost of building materials, the Committee have been informed in a written note that:—

"No specific studies as such have been conducted into the causes of the rise of prices in building materials. The National Building Organisation compiles data on the magnitude of the rise in the prices of building materials in the country. From 1961-62 to 1971-72 the rise in the index number of wholesale prices of building materials has been of the order of 41.3 per cent in case of bricks and tiles, 60 per cent for cement, 74.5 per cent in the case of iron and steel manufactures and 77.4 per cent for logs and timber. In respect of all commodities the index has risen by 88.4 per cent. It could, however, be said that this rise is partly due to the increase in levies rates and taxes during the period as well as due to the general price rise in the economy including labour costs and other elements of production."

5.11. Asked what steps are proposed to be taken to meet the shortage of building materials and check rise in the cost of these materials, the Committee have been informed that:

"The steps proposed to meet the shortage of building materials and check rise in the cost of building materials are as follows:—

- (i) *Bricks*: Expansion of the conventional building brick industry by introduction of simple brick making machines in the brick industry; improvement of bull trench kilns for brick burning so as to improve the quality and increase in the production; survey of clay deposits suitable for making around metropolitan towns and to reserve them for brick industry. Establishment of mechanised brick plants for production of high strength brick and other modern structural clay products for reducing cost of construction.
- (ii) *Cement*: Manufacture of flyash pozzolana cement and blast furnace slag cement; setting up of ready mixed flyash concrete plants at big cities|towns with large construction; setting up of dry-hydrated lime plants.
- (iii) *Substitute materials*: Use of substitute materials such as lime for cement, use of secondary species of timber in place of the primary species of timber such as teak, deodar, sal, etc., after seasoning and treatment.
- (iv) *New Materials*: Establishment of plants for production of new materials such as:—
- (a) Sand-lime bricks, cellular concrete blocks as a substitute to augment the supply of masonry materials.
 - (b) Asphaltic corrugated roofing sheeting to replace GI and asbestos roofing sheets.
 - (c) Plastic pipes in place of cast iron and GI pipes for cold water plumbing.
- (v) *Savings in Scarce Materials*:
- (a) The use of flyash as partial replacement of cement in mortar and plaster results in saving to the extent of 20 per cent in the consumption of cement. Use of the flyash in concrete also results in considerable savings. The use of flyash is being advocated.
 - (b) The use of lime in mortar and plaster can completely avoid the use of cement; when used in conjunction with cement in mortar and plaster, it saves about 20 per cent cement. Lime is being extensively used in some States.

- (c) use of high strength deformed bars and ultimate design procedure leads to saving of about 30 per cent in the consumption of steel in R.C.C. The use of high strength deformed bars has become very popular.
- (d) Use of secondary species of timber totally replace primary species of timber which are scarce and costly."

5.12. The Committee have been informed in a written note by the Government of Gujarat that:—

"The Gujarat Housing Board has undertaken to plan and try various methods for procurement and manufacture of building materials to ensure cheaper quality materials for effective use in housing construction. After full consideration of the various aspects of such supplies, the Gujarat Housing Board has undertaken to make direct purchase of flooring tiles, steel, kotah stone, door and window fittings etc., so that uniformity in work is ensured. Besides, this practice settles the mind of the contractor to quote reasonable rates for the construction work which otherwise are inflated owing to uncertainty of the trend of market rates of such materials. In addition, the Gujarat Housing Board is planning to instal (i) semi-mechanised brick plants (ii) stone crushing plant for manufacture of kapchi, Grit, required for use in construction of houses. The proposals of erecting two brick plants—one at Ahmedabad and the other at Baroda is sanctioned and Housing and Urban Development Corporation has agreed to give loan for this to Gujarat Housing Board.

Approach of the Gujarat Housing Board has been such that the rate per square feet of plinth area has been kept as low as possible. The Board has been able to construct houses under Integrated Subsidised Housing Scheme recently at Rs. 13 per sq. foot and Rs. 14.50 per sq. foot at Ahmedabad and Baroda respectively. For low Income Group Housing Scheme, it has been possible to construct at Rs. 16 per sq. foot. For Middle Income Group Housing Scheme, it has been possible to construct at Rs. 20 to Rs. 22 per sq. foot of plinth area. Board thinks that these rates are considerably lower than these obtained in private construction in the same localities and places."

5.13. The Committee note that availability of building materials in adequate quantities is a necessary pre-requisite for the success of

any housing programme in the country. The Committee further note that there has been an acute shortage of building material like bricks, cement, timber, steel etc., in the country. Even the Housing Boards have been facing considerable difficulties in completing their housing schemes because of shortage of building materials. The common man has to run from pillar to post to obtain materials. The common man purchase the same at exorbitant prices. It has been estimated that in spite of the various steps taken in the matter, the shortage of bricks will be to the extent of 51,000 millions and that of cement to the extent of 4.4 million tons in the Fourth Plan period. The Committee would like to urge the Government to pay immediate attention to the need for increased production of these building materials in adequate quantities and to take steps to set up new units and expand and modernise the existing units. The Committee need hardly point out that the greatest constraint on construction programme is constituted by availability of material. If the construction programme for housing has to make a marked progress, it is imperative that essential materials like bricks, cement, iron and steel should become available in adequate quantities so as not to hold back and impede the programme for construction of houses on a large scale.

5.14. The Committee note that considerable savings can be effected in the consumption of the building material by the use of substitutes e.g. stone can be used in place of bricks in some States where it is available in plenty, flyash can be used with cement thus effecting a saving of 15 to 20 per cent; use of steel can be reduced and some of the Housing Boards have effected economy in the use of these materials in their housing programmes. The Committee in their Chapter on Low Cost Housing have already commented how the construction agencies have been slow in the use of these substitute materials in their construction programmes. The Committee would like to reiterate that in view of allround shortage of building material, the use of substitute material on a large scale should be given utmost priority.

5.15. The Committee note that the National Building Organisation is undertaking for every five year plan, the assessment of building material required for execution of all construction programmes and the shortfalls are also being worked out and passed on to Planning Commission. The Organisation has also worked at the requirements of building materials till 1990 according to which the requirement of cement and steel in the country will increase to 75.74 million tonnes and 20.60 million tonnes in 1990 from 17.40 million tonnes and 4.60 million tonnes respectively in 1975. The Committee feel that unless steps are taken in right earnest from now on to raise the pro-

duction of these materials, the country will be facing an acute shortage of these building materials in the years to come affecting the building programme adversely. The Committee hope that the matter will receive the attention it deserves and a well co-ordinated and time bound programme for increasing the production of these materials would be drawn up and taken in hand.

5.16. The Committee note that there has been a considerable increase in the cost of building material in the country and in respect of all building materials, the index of prices has increased by 88.4 per cent. The Committee have reason to believe that in actual practice, the common man has to pay even much more in the market to purchase these items because any delay in the supply of these materials disrupts his construction programme thus resulting in avoidable increase in cost of construction. The Committee are of the view that supply of building material at cheap and reasonable prices is an essential requisite if the individuals are to be encouraged to construct their own houses. The Committee note that the steps taken so far have not succeeded in keeping the prices of these materials under check. While the Committee agree that the rise in the prices of these materials may be, to some extent, due to the general price rise in the economy, the Committee feel that the shortage of building material has also contributed to a great extent to this rise in prices. The Committee would, therefore, urge Government to take more concrete steps to keep the price of building material within reach of the common man and the position should be reviewed every year to see what particular steps can be taken to check the prices.

5.17. The Committee have been informed by the Government of Gujarat that the Housing Board in the State has undertaken the direct procurement and manufacture of building materials to ensure cheaper and durable quality materials for use in housing construction and the Board is planning to instal semi-mechanised brick plants and stone crushing plants etc. and the HUDCO has agreed to give loans for the project. The Committee feel that these are steps in the direction for ensuring smooth and regular supply of building materials for execution of housing programmes and other Housing Boards should also be persuaded to take similar steps in the matter.

5.18. The Committee note the measures taken by Delhi Development Authority and Gujarat Housing Board to meet their requirements of material. The Committee recommend that the Government should consider whether these authorities may not extend their activities further so as at least to make available raw materials at competitive rates to persons coming from weaker sections of the society

who are constructing houses in the area served by them. The Committee need hardly point out that such extension of activity is bound to have a sobering effect on the market and may result in effectively checking the spiralling up of the prices of construction materials which have been acting as a great constraint on the construction of houses.

B. Bricks and Tile Industry

5.19. Bricks and clay Tiles play a very important role in the house building and other construction programmes of the country. Bricks are and will remain the cheapest building material for a long time in most part of the country. The availability of good quality bricks in adequate quantities will therefore determine the size of the construction programmes the country can take. The importance of bricks can be understood by the fact that about 7000 crores of bricks costing over Rs. 400 crores shall be needed per annum in the Fourth Plan period. It requires some 20 lakh workers employed in some 25,000 small scale units spread all over the country burning over 10 million tonnes of coal to produce this much of bricks.

5.20. According to an assessment made by the National Buildings Organisation, the country would be requiring 1,51,000 million bricks in Fourth Plan period for residential and non-residential purposes while estimated production during the Fourth Plan would be 1,00,000 million bricks leaving a shortage of 51,000 million bricks. The National Buildings Organisation have suggested that the shortfall in the availability of bricks may be met as follows:

- (a) Two thousand million bricks by establishing 50 mechanised brick plants at 40 million bricks capacity each.
- (b) Two hundred million sand-lime bricks by establishing ten sand-lime brick plants of average capacity of 20 million bricks per year each.
- (c) Three hundred million bricks equivalent by establishing five cellular concrete plants of capacity 1.38 lakh cubic metres per year each.

5.21. In a working paper prepared for the Seminar on "Evaluation of a National Housing and Urban Development Policy", it has been stated by the Ministry of Works and Housing that:—

"Brick is a basic construction material widely in use. Private brick Kilns have by and large made little use of indigenous technology for mechanised production of bricks.

Similarly, though research has helped in production of good quality bricks from the "poor" soils (black cotton, lateritic and Kallar), the private brick kiln owners have not yet adopted it on a large scale."

5.22. In a memorandum submitted to the Committee, a leading organisation of bricks and tile manufacturers have stated:—

"There are 15,000 brick kilns in the country. Their annual production is 5,000 million bricks. But it is short of the requirements taking in view the magnitude of the housing problem in the country. While the brick kiln industry, in spite of all troubles is registering good progress in private sector, there is every need to subsidise the brick industry and provide financial facility to encourage modernisation and adoption of advanced techniques. Black kiln industry, whether in public, private or cooperative sector cannot meet the desired results unless some of the major problems are solved.

One of the main problems facing the brick kiln industry is availability of coal. While there is no shortage of coal, its availability in time is not generated due to lack of transport facility. Moreover, the Railways have expressed their difficulty in providing wagons of slack coal required for brick kiln industry. Another important point is that Railway Board should be instructed by the Planning Commission to provide wagons for movement of slack coal on industrial priority basis. At present the brick kiln industry does not get this priority movement of stock coal.

It would be better if the Planning Commission issues a directive to the State Governments to include brick kiln industry in group of small industries. This is suggested particularly because the Brick Revolution must follow the Green Revolution in the general public interest. In this context, it may be relevant to mention that brick kiln industry provides huge employment potential. If the detailed statistics are collected, it would be found that brick kiln industry occupies second position next to Indian Railways in providing employment for about 50 lakh persons. One wagon of coal provides employment for 20 persons throughout the year."

5.23. The Organisation has suggested that "A semi-mechanised method of brick manufacture should be evolved immediately. Moulding machines for brick are immediately needed as quality control in brick manufacture is possible at this stage. The C.B.R.I. has developed one such machine which awaits field trial. However, clay technology is very much developed all the world over. We can at very little cost import two dozen or so simple machine from different countries for use in different types of clays and other trials and modifications manufacture them on mass scale in the country."

5.24. Asked about the steps taken to improve clay technology and manufacture of bricks in the country, the representative of the Ministry of Works and Housing stated before the Committee:—

"There has been trial plant in Baroda and four other firms have been licensed to manufacture these semi-mechanised machines but it has not really caught up on a large scale all over the country. We have also gone to import a particular moulding machine for better bricks and that once we get that machine we will put it for field trial and thereafter that will be given to C.B.R.I. for manufacture of prototype of more machines of that type. We have set up nve brick kilns and four crore of bricks are produced in that. The other problem of transportation is also very important. This issue we took up with the Railway Ministry and adequate quantity of rakes have been assured. Primarily this has been as a result of the efforts that we have put into that transportation of coal has improved. The third line of augmentation is cellular concrete."

5.25. The representative of the Delhi Development Authority stated:—

"We have a large programme of construction and that is why two or three years ago when the shortage of bricks was felt, we started our own brick kiln and we are getting all our bricks for our own purpose at a control rate of Rs. 54/-. And at the time we are producing about 15 crores of brick. We are not concerned with the supply position in the open market but if we had not opened this brick kiln for our own requirement, that would have worsened the situation."

5.26. Asked if the question of recognising brick and tile manufacturing industry as a small scale industry has been considered by

Government, the Committee have been informed in a written note that:—

“The N.B.O. has been advocating for recognition of the brick industry-as an important small scale industry and this matter is under the consideration of the Development Commissioner, Small Scale Industries, Ministry of Industrial Development.”

5.27 The Committee note that the brick and tile industry has come to play an important role in the construction programme of the country and that according to an assessment made by National Buildings Organisation, there would be a shortage of about 51,000 million bricks in the country during the Fourth Five Year Plan period. The Committee further note that the National Buildings Organisation has suggested the establishment of 50 mechanised brick kilns, ten sand lime brick plants and five cellular brick plants to meet the shortage. The Committee recommend that steps to set up these units as suggested by National Buildings Organisation should be taken early to meet the acute shortage of bricks in the country.

5.28. The Committee note that although clay technology has undergone a great change all the world over and new machines have been introduced for production of bricks, in India the brick manufacture is still being carried on conventional lines by manual labour and out-moded processes of manufacture resulting in great waste of time and material with consequent increase in cost. The Committee recommend that research institutions in the country should evolve a semi-mechanised method of brick manufacture in the country and after field trial, steps should be taken to popularise the use of these methods. Government should also take initiative to set up semi-mechanised brick kilns in the country. In this connection, the Committee note that the Delhi Development Authority have already established a brick kiln for their use and they are getting bricks at a control rate of Rs. 54/- per thousand. The Committee recommend that Housing Boards in States should be persuaded to take similar steps to meet the shortage of bricks.

5.29. The Committee note that although bricks kiln industry occupy an important place in the construction industry and has provided employment to a large number of people, the industry has not been recognised as a small scale industry. The Committee have been informed that the question of recognising the brick industry as a Small Scale Industry is under the consideration of the Development Commissioner, Small Scale Industries. The Committee recommend that an early decision should be taken in the matter and the industry recognised as a Small Scale Industry.

5.30. The Committee note that the brick industry is suffering adversely because of non-availability of coal as sufficient wagons for transportation of coal are not being provided by the Railways. The Committee have been informed by the representative of the Ministry of Works and Housing that the issue had been taken up with the Railway Ministry and adequate quantities of rakes for movement of coal had been assured. The Committee recommend that Railways should accord higher priority to the allotment of wagons for movement of coal for the brick industry.

5.31. The Committee are unable to understand why brick industry which is labour intensive and is capable of generating large employment should not have received urgent attention of Government with a view to develop it on sound modern lines. The Committee suggest that the Housing Boards and HUDCO should take lead in encouraging modernisation of existing kilns and in establishing new ones, but it should be made sure that the end product becomes available to the genuine builders of houses at most competitive rates. The Committee feel that pilot brick kilns, using semi-automatic and automatic processes should be developed so that after field trials, those act as models for development in different parts of the country. The Committee would also suggest that standard specifications for bricks should be developed so as to ensure quality.

5.32. Another aspect which the Committee would like to refer relates to the exorbitant transport charges which are charged by kiln owners to increase their margin of profit at the expense of the person constructing the house. The Committee see no reason why guidelines and criteria cannot be laid down to determine these transport charges on rational and realistic basis to obviate any malpractice.

CHAPTER VI HOUSING IN METROPOLITAN CITIES

A. Magnitude of the problem:

The rapid urbanisation of the country and large scale migration of the rural population to urban areas particularly to metropolitan and big cities in search of employment has resulted in large scale growth of population in these cities. The large scale influx of refugees from East Pakistan to Calcutta and from West Pakistan to Delhi and concentration of industries in the cities of Calcutta, Bombay and Delhi has further worsened the situation resulting in large scale growth of slums, unhygienic and insanitary living conditions, shortage of drinking water, transport bottlenecks etc. The 'bustees' of Calcutta, 'chawls' of Bombay and 'kuchas' of Delhi are living examples of human degradation and pitiable living conditions. According to a Report of the International Bank for Reconstruction and Development "There is hardly any aspect of community development that is keeping pace with the growth of Calcutta's population or with the requirements of its hinterland. Overcrowding, degradation of housing, health hazards, primitive water supply, lack of space for new industries, traffic bottlenecks, power shortage, a still unsolved refugee problem—all are increasing the cost of moving the goods and of providing the many services that a growing industrial region demands of its metropolis." There is not only a wide gap between the needs of the people but the gap is increasing at an alarming rate. An International Team of Experts remarked about the basic development plan of Calcutta "The Plan deals with a city in a state of crisis. We have not seen human degradation on a comparable scale in any other city in the world." Housing conditions, in general are deplorable. Two-third of Calcutta's inhabitants live in *Kutch*a buildings and more than 57 per cent of its multi-member families live in no more than one room. It is revealing that between 1931 and 1965, the *per capita* supply of filtered water declined from 52 gallons a day to 28 gallons a day. Transportation in Calcutta is a nightmare. During the rush hours, it is a long and arduous struggle to get even a place on the rear platform of a train or bus. As for primary education, the Corporation's school provide for no more than 30 per cent of the children of school-going age. In this paradoxical 'city of palaces' with slum side by side, at least 1.5 out of 8 million of the people live in hovels known as "Bustees".

6.2. The conditions in other metropolitan cities like Bombay and Delhi etc., are no better. According to a Memorandum submitted by the Maharashtra Housing Board, "The Maharashtra State has the biggest industrialised city in the country (*viz.* Bombay). The employment opportunity offered by the city has been attracting thousands of people from rural area to migrate. In Bombay alone, there is a shortfall of 4,00,000 houses. Having no housing accommodation, these people are forced to live in slums. Today the slum population of the Bombay city alone is about 1.2 million."

6.3. Similar is the case of Delhi. With Independence, the city faced new challenges and new problems. Nearly a million refugees poured into Delhi from Pakistan. The population more than doubled within a couple of years of Independence. The city continued to sprawl. Want of adequate community facilities, growth of slums, acute shortage of living accommodation, shopping, office and industrial space, inadequate roads system, shortage of water and electricity and the pressure of migrants all these needed an urgent solution. A backlog of about 1½ lakhs housing units existed in 1962 which has further increased to 2 lakhs. The utilities services, civic amenities and housing etc., could not keep pace with its population growth resulting in about 70 per cent of its population living in single-room tenements without basic amenities like water, electricity and toilet etc.

6.4. A number of housing and urban development programme have been drawn up in these cities. But in a background paper prepared for the Seminar on "Evolution of a National Housing and Urban Development Policy" it has been stated by the Ministry of Works and Housing that:—

"The execution of housing and urban development programmes (including slum clearance and improvement) through the local bodies is slow, tardy and ineffective. A number of States have put up Improvement Trusts and Development Authorities, but even their pace of implementation is very slow."

It has been further stated that:—

"Imaginative and pragmatic approach is called for in applying laws otherwise their negative effects will harm housing interest more, as in Delhi, a major portion of the old city was declared slum area, about 15 years back, under the slum Areas Clearance and Improvement Act, with consequential ban on all private redevelopment and construction. Simultaneously, public authorities could not undertake its improvement and clearance, due to paucity of funds

Meanwhile rate of obsolescence has gone up, due to neglect in maintenance."

6.5. The representative of the Town and Country Planning Organisation has stated in his memorandum to the Committee:—

"The various housing schemes under execution in the various States are unfortunately focussed on the intention of increasing housing stock in isolation of the functional inter-relationship of the community. Most of the States are resorting to preparation and implementation of Housing Schemes which are not related to work centres and also are not planned physically to achieve inter-relationship of other requirements, such as educational facilities, medical facilities, and recreational facilities. The important factor of transportation planning integrated with the total urban development is also completely disregarded. . . . My suggestion would be to attack this problem in totality, while working out housing schemes for construction of houses. The co-relation of work centres and employment centres with the establishment of housing is an important factor and easy and quick transportation from residential area to the employment centre is the first important factor to be taken into consideration of integrated planning. Invariably, when Housing schemes are prepared by various States, provisions of community facilities are either totally absent or grossly inadequate."

6.6. Asked to clarify the above statement, the Town and Country Planner stated in his evidence before the Committee:—

"Even if we want to tackle housing, it was to be thought of in the overall context of the plan of the city where the housing is proposed in the sense that we planners feel that inter-relationship of functions while planning a city or planning housing is most important. . . . The inter-relationship of the residential area to the work area is a most important factor which has to be taken into consideration. There have been efforts in various cities to provide for housing of the low-income group right outside the periphery of the city where as the workers are employed far away. The inter-relationship to other community facilities like shopping facility, medical facility, recreational facility etc., should also be there."

6.7. Clarifying the position further, the witness stated:—

“To give you an example, in Bombay the Maharashtra Housing Board have a big programme of house construction. The Maharashtra Industrial Development Corporation have acquired land in a trans-Thana area and have developed a very big estate where a number of sheds have come up. But the housing is not related to this industrial area. There is not one single house constructed by the Housing Board in the vicinity of the major employment centre. The Directorate of Education have a programme to construct schools etc., and other educational institutions in another area. So where the Maharashtra Housing Board have provided houses, schools have not come up simultaneously with the result that children have to travel from that place to wherever the schools are available. Then again, wherever, the Housing Board prepares a plan for housing, it does not take into consideration other community facilities like shopping centres, health centres, etc., with the result that shanty shops come up all along the area. So this sectoral coordination is not there and this is the most important factor that I wanted to emphasise in the policy of Government of India in regard to housing.”

6.8. Asked if the delay in providing the various facilities did not result in loss to State, the witness replied:—

“Yes, it increases the overheads. There is a glaring example. In Ramakrishna Puram, houses were constructed but for two years they could not be allotted to anyone because there was no water connection, no sewage connection etc. The Municipal Corporation which was responsible for laying the water-lines and the Central P.W.D. who are responsible for constructing the houses did not work in co-ordination with one another. Before starting the construction, there was no planned co-ordination that simultaneously with the laying down of water pipes etc., the construction of houses should be taken up... Even in Union territories, there is no effective co-ordination between the various organisations. Our organisation had before some time given a proposition that whenever a plan is prepared for a city, there should be one single authority to supervise the plan and to achieve co-ordination of the various organisations. It should be made mandatory that all action organisations should be required to submit their

budget proposals to the Central Organisation or overseeing organisation; when the budget proposals are submitted to the Central Organisation, then this Organisation can correlate their work and allot priorities of different works to different organisations."

6.9. Asked if all the facilities required by the residents are planning simultaneously with the construction of houses, the representative of the Ministry of Works and Housing stated:—

"This is a problem of co-ordination between the different sectoral functions. I agree that at the planning stage, we plan all these more or less together but since the implementation is with different authorities... for example, water supply is with the Municipal Corporation, electricity with DESU, etc.... there should be co-ordination between them. It is now expected that over-all co-ordination would be possible and it would be so timed that when the houses are ready, electricity and water etc., are also available. There have been cases where they did not really co-ordinate very well; and I personally think that there is certainly a need for an over-all authority which can bring all these together and they can be executed under an authority. I may mention that in Calcutta the Metropolitan Development Authority is under the over-all Co-ordination and implementation of one authority and the experience has been quite beneficial; we find it is giving us some results."

6.10. Asked if there is any machinery to co-ordinate the provision of all these requirements, the representative of the Ministry of Works and Housing stated:—

"Our entire governmental machinery as today organised, is organised sectorally. Each sector is vertically organised and the co-ordination is gaining momentum. One of the points you have raised, is a basic and fundamental issue, whether the planning of an area with an area planning authority with all the sectors under one control or one agency is desirable or not, this is a larger question but certainly as I submitted earlier, in specific and special areas where an overall authority for a city development is necessary, we have been examining in another Working Group these matters and for different areas whether such an overall authority should be reviewed or not and we feel that, as you have said, very rightly, instead of waiting for a problem to arise. it would be better if there

is one body which is primarily made responsible for ensuring both legal powers and financial allocations; to ensure that the overall Planning is so done that with respect to any organised sector these facilities are provided. This I agree with you entirely that there is a need for the overall authority."

6.11. The representative of Delhi Development Authority stated:

"One of the things I have made clear, is that it is only in the implementation sector that the problems of co-ordination are more acute. In a smaller city or smaller suburb the problems are not so acute. The reason for this is that agencies like Delhi Electric Supply Undertaking, Delhi Water Supply Undertaking, Delhi Municipal Corporation and N.D.M.C. have got so many functions and they are so complicated and so technically advanced problems that they are not given to one central agency. Because each agency has its own know-how; its own budget and therefore, it has to coordinate with the Ministry concerned. Regarding the problem of co-ordination in Delhi, we have been working on this. In my view, the best way of solving it in a city like Delhi is to make the Lt. Governor of Delhi as the head of these organisations. If he is the effective incharge and if there is any problem between DESU and DDA he can bring about the necessary co-ordination. Likewise, in my view, if you put the Delhi Municipal Corporation and Delhi Water Supply Undertaking under the charge of the Lt. Governor, he can bring about the necessary coordination. Now, because of the constitutional difficulties, in Delhi, it is not a State Government, so the power vests with the Central Government. Our view is that the Lt. Governor should enjoy all the powers of the Central Government and therefore he can bring about the necessary co-ordination. There are 101 problems which crop up day by day and these can be solved only at local level under the orders of the agency to whom they are answerable. So far as DDA is concerned, we had a lot of difficulties in arranging for water supply, electricity and sewage from the Delhi Municipal Corporation. The difficulty to an extent was genuine because of lack of funds and raw-materials."

6.12. In a subsequent written note submitted to the Committee, the Ministry of Works and Housing have stated:—

"Urban Development is a dynamic process. Execution of housing projects and urban development schemes do involve

co-ordination between various organisations charged with different connected functions it is conceded that for expeditious execution of such projects, there should be an authority vested with necessary powers to maintain co-ordination and oversee the work of various concerned organisations in the interest of speedy execution of projects. This State Governments have been advised to set up development authorities' for large metropolitan towns somewhat on the pattern of the Delhi Development Authority. In Calcutta, "Calcutta Metropolitan Authority" has been set up for this purpose. Both the Delhi Development Authority and the Calcutta Metropolitan Development Authority are statutory bodies. Similar bodies can be set up by the State Governments etc., wherever necessary with such changes in the functions and composition as may be required to suit the local conditions. There cannot be a uniform pattern of such bodies throughout the country. The situation differs from place to place and such authorities wherever to be set up, have to take into account the local conditions."

6.13. In order to solve the problems of the city of Calcutta in an integrated manner, the Calcutta Metropolitan Planning Organisation was established in 1961. In 1966, the C.M.P.O. published its basic development plan for the Calcutta Metropolitan Districts. The purpose of the Plan is to provide a rational and comprehensive framework of growth for metropolitan Calcutta over the next two decades, and its main objectives may be summarised as:—

- (a) to promote a more dynamic growth of the metropolitan economy in particular and of eastern India in general;
- (b) to develop a proper urban environment for a population of 12.3 million people by 1986;
- (c) to create machinery for the sustained planning of development and the effective implementation of all plans; and
- (d) to strengthen local self-government and citizen participation."

About a year back, the Calcutta Metropolitan Development Authority come into existence. A massive programme has been launched by the Authority. The thrust of the C.M.D.A. programme is on the basic infra-structure-water supply, sewage and drainage, garbage disposal, traffic and transportation, slum improvement and housing. A Master Plan has been prepared with the assistance of World Health Organisation which aims at augmenting the water supply

in three phases resulting in a supply of 60 gallons per capita per day in the city and 40 gallons per capita per day in the outlying area from 1981. The C.M.D.A. has proposed fifty-five projects in the sewage and drainage sector which are designed to carry a minimum of 1" to 1½" of rainfall every hour.

6.14. The C.M.D.A.'s Rs. 10 crores scheme, provides for the first time in Calcutta's long slum history, an opportunity to tackle the problem on diverse fronts. According to this crash programme for slum improvement, in the first phase 7,00,000 dwellers will be provided with sanitary facilities, pucca roads, tube-wells, water pipes for water supply and street lighting. The scheme includes an all-out effort towards the solution of the deeprooted problem of housing the urban poor. To meet the backlog of housing and the rising demands, even on a minimum basis of two rooms units, about fifty thousand houses will be needed annually. The C.M.D.A. has drawn up a programme of 40,000 units to be constructed during the Fourth Plan period. Also a new modern township is taking shape at the Salt Lakes which was only a marshy expanse on the northern fringe of the city until some years ago. This fifteen square kilometre area will provide residential accommodation for more than half a million people.

6.15. The Committee note that although the entire country is facing housing problem, the condition of housing in metropolitan cities like Calcutta, Bombay and Delhi is particularly acute and due to the large scale migration of rural population to these cities in search of employment opportunities, the position is increasingly becoming alarming. They are distressed to note that even according to conservative estimate about 27 lakhs of people (15 lakh in Calcutta and 12 lakhs in Bombay) are living in slums in two cities only in most unhygienic and insanitary conditions and in the city of Delhi 70 per cent of the population are living without even basic amenities of life. The bustees of Calcutta, 'Chawls' of Bombay and 'Kuchas' and 'Jhuggis and Jhopris' of Delhi are living examples of human degradation and are denied even basic facilities like sanitation, drinking water, drainage etc.

6.16. The Committee have been particularly concerned with the problem of housing of families belonging to lower income group and weaker sections of society in these metropolitan and urban areas. According to some experts, the discontent which has been prevailing in the eastern sector, particularly in Calcutta, is due not a little to the existence of slums and bustees which deny even the minimum basic amenities and facilities to human beings living there. The Committee would, therefore, impress upon Government to pay special

attention to the problem of having a crash programme to tackle the problem of providing satisfactory accommodation to families in lower income groups and the weaker sections of society with facilities like drinking water, drainage, easy transport, electricity etc. It is of the utmost importance that planning in this behalf should be done most carefully so that the scheme commands ready acceptance by all concerned and achieve the purpose of removing slums. The Committee feel that it should be possible for Government to draw up guidelines and help in preparation of detailed plans for meeting squarely this challenging problem.

6.17. The Committee note that a number of housing schemes with the intention of increasing housing units are in operation in various cities in the States. These housing schemes are, however, not related to work centres. Moreover facilities like education, sanitation, provision of electricity etc. and the important facility of transport related to work centres are not available, with the result that in a number of areas even when the construction of houses has been completed, the same have remained vacant for a considerable period in the absence of these facilities. The Committee have before them the example of the construction of Government quarters in Rama Krishna Puram in Delhi where these quarters remained vacant for a considerable period of time because simultaneous action to provide water, electricity, sanitation etc., was not taken resulting in considerable loss to public exchequer and denial of facility of accommodation to eligible persons even after the construction had been completed. The Committee feel that the sectoral coordination to provide simultaneous facilities in any newly developed colony is the essence of the matter and should be given utmost attention at the time of formulation and execution of any housing scheme.

6.18. The Committee recommend that whenever any large scale housing scheme is taken up for execution a high powered authority should be designated and entrusted with the task of inter-sectoral planning which should oversee all the various activities connected with the provision of infra structure facilities and maintain coordination between the various agencies. In this connection, the Committee have noted that the Government of India have advised the State Governments to set up Development Authorities for large metropolitan cities somewhat on the pattern of Delhi Development Authority. The Committee recommend that the setting up of such authorities should be expedited in Metropolitan and other large cities where large scale housing projects are under execution, so as to maintain the inter-sectoral co-ordination and these authorities should be given necessary powers to oversee the completion of various activities connected with housing etc.

6.19. The Committee note that Calcutta Metropolitan Development Authority has been set up to execute and implement a basic development plan for the overall development of Calcutta and the Authority has started execution of a Rs. 10 crore plan aiming at the provision of basic amenities like housing, drinking water, sanitation, drainage etc. The Committee feel that this is a step in the right direction as the problem of Calcutta has reached an alarming stage and brooks no delay. The Committee recommend that the Government of India should provide every facility and encouragement to ensure that the plan is executed expeditiously and effectively.

6.20. The Committee are surprised to learn that even in a city like Delhi which is the capital of the country and seat of the Central Government, such coordination has been lacking with the result that in many cases simultaneous action to provide facilities of provision of water, electricity, drainage, transport, medical facilities, education etc. has not been taken. The Committee recommend that immediate action to remedy the situation should be taken. In this connection, the suggestion made by the representative of the Delhi Development Authority that the Lt. Governor of Delhi may be made head of these organisations and should enjoy all the powers of the Central Government so as to bring about necessary co-ordination, merits serious consideration by Government.

B. Scheme for Environmental Improvement of Slums:

6.21. The rapid urbanisation of the country and large scale migration of the rural population to cities particularly big and metropolitan cities has resulted in large scale growth of slums resulting in squalor and unhygienic conditions. To meet the situation, the slum clearance/Improvement scheme was introduced by the Government of India in the year 1956. The primary object of this scheme was to clear the slums and resettle the slum dwellers near their place of duty as far as possible. The scheme also envisaged slum improvement subject to certain conditions. This scheme had not made much progress. It was in the State Sector of the Plan. As the experience had shown that the clearance of slums was very difficult, the Government of India introduced a Central Sector Scheme for environmental improvement of slums of 11 metropolitan cities in the year 1972. This scheme provides for cent per cent grants to the State Governments for carrying out environmental improvement of slums in eleven cities which have a population of not less than 8 lakhs. The amount allocated for the purpose during the year 1972-73 is Rs. 15 crores and it has been agreed that projects costing upto Rs. 20 crores could be sanctioned in respect of this scheme during this

scheme during this year. The name of the cities and the amounts allocated are as under:—

| Sl. No. | Name of the City | Amount Allocated for 1972-73 |
|-----------------|--|------------------------------|
| (Rs. in crores) | | |
| 1. | Calcutta Metropolitan District | 3.5 |
| 2. | Greater Bombay | 2.5 |
| 3. | Delhi Urban Agglomeration | 2.5 |
| 4. | Madras | 2.5 |
| 5. | Hyderabad Urban Agglomeration | 1.5 |
| 6. | Ahmedabad Urban Agglomeration | 1.5 |
| 7. | Bangalore Urban Agglomeration | 1.5 |
| 8. | Kanpur | 1.5 |
| 9. | Poona Urban Agglomeration | 1.0 |
| 10. | Nagpur | 1.0 |
| 11. | Lucknow Urban Agglomeration | 1.0 |
| | | 20.00 |

6.22. The assistance is available for environmental improvement to existing slums normally consisting of water-supply, sewers, storm water drains, community baths and community latrines, widening and paving of existing lanes and street lighting. The Government of India will provide hundred per cent funds for approved projects. 25 per cent of the approved cost will be released when the project is sanctioned by the Government of India and the balance in two or three instalments depending on the satisfactory utilisation of the earlier amounts advanced. The State Governments were requested to send their projects by the 30th June, 1972 so as to enable the Government of India to examine the projects and sanction them and to ensure that the amounts sanctioned for these projects were utilised during the current financial year (1972-73). The position of the projects received and sanctioned as on 5-8-1972 is given in the Appendix (Appendix III). It will be seen from the Statement that while 185 projects involving an amount of Rs. 600.66 lakhs have been sanctioned, 550 projects involving a sum of Rs. 13.75 lakhs are pending approval.

6.23. The Conference of State Ministers of Housing, Town Planning and Urban Development had made the following recommendations in July, 1972 in respect of the scheme:—

- (i) The States to which this scheme is not applicable at present, should also be provided with similar assistance to enable them to implement the scheme in at least one important city in each State.
- (ii) The Scheme is at present restricted to such slum areas in the 11 specified metropolitan cities, as are not earmarked for clearance during the next 10 years. The Conference feels that this period is too long and recommends that it should be reduced to 5 years.
- (iii) Private lands on which slums have come up may be acquired on terms favourable to Government preferably under the provisions of the Slum Clearance Act before undertaking any programme of environmental improvement in such slums.
- (iv) In the case of smaller cities like Simla and Chandigarh where there are not extensive slums, it will be more appropriate to go in for slum clearance rather than slum improvement by undertaking an adequate programme of low cost housing under the normal Slum Clearance Scheme, which already exists in the State Sector, as well as by getting loan assistance from Housing and Urban Development Corporation.
- (v) In view of the importance and urgency of the problem, each State implementing this scheme should be given 25 per cent of funds out of the amount allocated to it, in respect of each project formulated in conformity with the provisions of the scheme and submitted to the Government of India. This is necessary to enable the State Governments to go ahead with the work of such projects pending scrutiny and sanction of those projects by the Government of India.
- (vi) The State Governments should avoid attracting too many industries to congested cities as it will lead to the growth of more slums. New industries etc., should be located in other suitable areas in the State.
- (vii) Administrative/technical machinery both at the Centre and in the States, should be suitably strengthened and geared to the task to ensure speedy implementation of scheme.

6.24. Asked if the scheme is likely to be extended to cities below 8 lakhs of population, the Ministry of Works and Housing have stated in a written note to the Committee:—

“During the current financial year (1972-73) the scheme has been made applicable to the slums in the cities of Calcutta, Bombay, Delhi, Madras, Hyderabad, Ahmedabad, Bangalore, Kanpur, Poona, Nagpur, Lucknow, Indore, Jaipur and Rohtak. It has now been decided to extend the scheme with effect from 1st April, 1973 to the cities of Patna, Cochin, Shrinagar, Ludhiana, Cuttack and Gauhati also.”

6.25. In Delhi, a Jhuggi Jhonpri Removal Scheme has been taken up for execution. According to the present policy, the pre-July, 1960 squatters are considered ‘eligible squatters’ and the post-July, 1960 squatters are considered ‘ineligible squatters’. The eligible squatters are provided with plots of 25 square yards in comparatively Central localities and the ineligible squatters are rehabilitated in camping sites on the periphery of the city.

6.26. Regarding civic amenities in Jhuggi Jhonpri colonies, the present position is that the civic services, such as drinking water supply, drains, community latrines and baths, approach roads and street lighting, are provided by the Delhi Development Authority which is in charge of the execution of the scheme, within the prescribed ceiling of Rs. 1200 per plot in colonies of eligible (Pre-July, 1960) squatters and of Rs. 800 per plot on camping sites on the periphery of the city for ineligible (i.e. Post-July, 1960) squatters. These are also maintained by the Delhi Development Authority themselves.

6.27. With effect from 1st March, 1968, the Jhuggi Jhonpri Removal scheme was entrusted to Delhi Development Authority. This scheme is completely financed by the Central Government but it has been entrusted from the beginning to the Municipal Corporation of Delhi as Implementing Agency. From 1st March, 1968, the Delhi Development Authority is acting as Implementing Agency in place of the Municipal Corporation. The provision made for the scheme and utilisation during the various Plans is as under:—

| | (Rupees in lakhs) | |
|---------------------------------|-------------------|--------|
| | Amount Allotted | Drawn |
| Second Plan | .. | 67.33 |
| Third Plan | 654.06 | 650.31 |
| 1966—69 (3 years) | 227.00 | 150.00 |
| Fourth Plan (1969—72) | 245.00 | 245.00 |

1,00,000 dwelling units have been sanctioned for construction so far under the scheme, out of which 78,403 houses have been completed.

6.28. The Public Accounts Committee (1968-69) of Fourth Lok Sabha in their Seventy-first Report had pointed out that the scheme for the removal of 'Jhuggis' and 'Jhonpris' in Delhi was very tardily planned and executed. About 50,000 families of squatters were to be resettled under the scheme but till September, 1967 only 21,799 could be resettled. In some cases, after the squatters had been removed from the sites, fresh squatting again took place, due to cleared sites not having been promptly taken up for development, necessitating fresh clearance operations. The Committee recommended that they would like Government to have a comprehensive examination of the working of scheme undertaken so that the various omissions that occurred could be identified and steps taken to avoid their recurrence through planning and close supervision.

6.29. In their Fifth Report (Fourth Lok Sabha), the Public Accounts Committee (1971-72) again commented as follows:—

“The manner of execution of the scheme of removal of Jhuggis and Jhonpries leaves much to be desired. The Committee are distressed to note a number of lapses/irregularities such as non-maintenance of proper accounts, diversion of funds released by Government for the scheme, non-payment of Government's share of dues from the allottees, non-recovery of dues from the allottees, non-execution of proper lease deeds and non-regularisation of 'Benami' transfers made by the allottees.

The Committee had in paragraph 2.32 of their Seventy-first report (Fourth Lok Sabha) suggested a comprehensive examination of the working of the scheme with a view to identifying various omissions that occurred and taking steps to avoid their recurrence through planning and close supervision. They were informed that the review had been asked to suggest remedial measures. The Committee trust that the review will be completed expeditiously and follow-up action taken.

There has been improvement after transfer of the scheme to the Delhi Development Authority in as much as 42,000 plots have been allotted out of 47,000 plots developed upto July, 1970 as against the Third Plan target of 50,000 plots. Government have since sanctioned development of plots of 25 sq. yards on the periphery of Delhi for allotment to

'ineligibles' i.e. post-July, 1960 squatters, under the scheme. The Committee desire that Government should take steps to check further squatting as any rehabilitation measure cannot hope to mitigate this problem if it is allowed to perpetuate itself. They would also like Government to speedily implement the scheme as already sanctioned and avoid timelags between the development of plots and their allotment by better co-ordination among the various agencies connected with water, electricity, sewerage etc."

6.30. The Committee note that the Central Scheme for Environmental Improvement of Slums provides for cent percent assistance to the State Governments for improvement of slums in 14 cities and that an amount of Rs. 15 crores is expected to be released in the current year under the scheme. While 185 projects under the scheme involving an amount of Rs. 6 crores have already been sanctioned, 550 projects involving an amount of Rs. 13.76 crores are still pending approval of the Central Government. The Committee would like to stress that urgent action to clear the pending projects should be taken and steps taken to ensure the implementation of these schemes without delay.

6.31. The Committee note that during the current financial year 1972-73, the scheme has been made applicable to 14 cities and it has been decided to extend the scheme with effect from 1-4-1973 to 6 more cities.

The Committee would like the Government to review the results of implementation of this scheme in the above cities and to remove the deficiencies, if any, in its implementation. Thereafter action may be taken to extend this scheme to larger cities for which a perspective plan should be prepared and implemented.

6.32. The Committee note that a Slum Improvement/Clearance Scheme was introduced by the Government of India in 1956 and the primary object of the scheme was to clear the slums and resettle the slum dwellers near their place of duty but as it was found by experience that clearance of slums was very difficult, the scheme for environmental improvement of slums had to be introduced. While agreeing that the present scheme is a step in right direction, the Committee would like to stress that the problem of the slums cannot be solved by environmental improvement alone. In many cases, action has to be taken for the clearance of these slums and resettling the slum dwellers near their place of work. At least in those cities like Simla and Chandigarh where there are no extensive slums, slum clearance can be attempted easily and preventive measures can be taken to ensure that slums do not grow there. At

the same time advance action should be taken in consultation with State Governments to ensure that slums are not created in other cities meanwhile.

6.33. The Committee realise that in cities like Calcutta, Bombay, Delhi, etc., which are already very congested and where the social utility services like water, electricity, housing are scarce, it may not always be possible to settle the slum dwellers in the heart of the city and near their place of work, and steps may have to be taken to resettle these slums dwellers in neighbouring colonies and satellite and ring towns. But this can be successful only if adequate provision of mass transport is made from such towns and suburban areas to the Metropolitan cities and back, so that the persons working in bigger cities particularly those belonging to low income group can commute to their places of work and go back to the smaller towns where proper housing facilities, sanitation, sewerage, educational facilities for children might be provided to them. The Committee recommend that a comprehensive integrated plans for providing cheap and quick means of transport on long and short term basis should be prepared by Government in consultation with the State Governments and local authorities and necessary steps to shift these slum dwellers to those outlying colonies and towns may be taken.

6.34. The Committee note that a 'Jhuggi Jhompri Removal Scheme' is being implemented in Delhi and while the scheme is being financed by the Central Government, the D.D.A. is the implementing agency for the scheme with effect from 1-3-1968. The Committee further note that although 1,00,000 houses have been sanctioned for construction so far, only 78,403 houses have been completed so far. The Committee further note that the Public Accounts Committee of Lok Sabha had pointed out a number of lapses/irregularities in the execution of the scheme such as non-maintenance of proper accounts, diversion of funds released by Government for the scheme, non-payment of Government's share of dues from the allottees, non-recovery of dues from the allottees, non-execution of proper lease dues and non-regularisation of 'Benami' transfers made by the allottees. The Public Accounts Committee had expressed the view that the manner of execution of the scheme left much to be desired and have suggested a comprehensive examination of the working of the scheme with a view to identify various omissions that occurred and taking steps to avoid recurrence through planning and close supervision. The Committee would like to emphasise the urgent need for concerted action to remove all the loopholes in the execution of the scheme and would urge that the scheme should be implemented expeditiously.

6.35. The Committee have already pointed out that slums grow in the metropolitan cities because of the drift of population to the metropolitan cities in search of employment as at present employment opportunities are largely available in bigger cities. The Committee feel that the problem of slums may continue to be with us unless comprehensive plans are prepared to provide opportunities of employment in smaller cities and towns. There has to be a purposeful and action-oriented planning to inhibit the growth of industries and big offices in these Metropolitan cities. It is well known that the big cities are outgrowing their physical boundaries and have become over-populated. The social and economic costs of providing housing, social utilities and services to large populations in these cities have become prohibitive. The Committee consider that a solution to these problems lies in keeping the population in these bigger cities within manageable and specified limits. Government will have to consider whether the optimum size of these cities may be fixed taking into account the prospects and costs of providing necessary social services like water, electricity, transport, education and recreation facilities etc. to their population at reasonable costs. The big cities also pose the problem of environmental pollution. The Committee, therefore, recommend that urgent and immediate action should be taken by Government in this regard so as to avoid the growth of slum conditions and other attendant problems in the big cities.

CHAPTER VII

CONCLUSION

7.1. The country today faces a gigantic housing problem which is becoming more and more acute as years roll by. The urban housing shortage was estimated to be 28 lakh units in 1951, 50 lakhs units in 1956, 93 lakhs in 1961, 118 lakh units at the end of 1967 and by 1979 there would be an estimated to be shortage of about 154 lakh units. Similarly in rural areas the overall shortage was estimated 565 lakh units in 1961, 696 lakh units in 1967, 718 lakhs in 1969 and is expected to be about 800 lakh units by 1979. Against this our rate of new house construction is extremely low, and is only about 3.5 units per one thousand persons in urban areas and 0.44 units for one thousand persons in rural areas. The private sector could roughly build about 2 lakh housing units per year and the Social Housing Schemes of the Ministry of Works and Housing have barely provided 4 lakh housing units during the last three plans.

7.2. The steps taken so far have not been able to make any significant impact on the acute housing shortage. The accent on planned development and industrialisation being experienced by persons in lower income groups during the last two decades has resulted in greater population pressure in urban areas. Between 1961 and 1971, the Urban population of the country has increased from 78 million to about 108 million, a significant increase of about 50 per cent.

7.3. It is evident that mere formulation of a few schemes with financial assistance as in the past would not be able to solve the problem. The problem calls for a reorientation of policies in closely allied fields like physical planning, legislation, taxation and other fiscal and economic matters relating to housing.

7.4. It is high time that the magnitude and importance of the housing problem in the country is realised in its correct perspective and concerted efforts made at all levels to solve the housing problem in the country. To achieve this object and for accelerating the pace of housing construction in the country, a package of practices and programmes will have to be taken up in an integrated and coordinated manner by the Central Government, State Governments and Local Self Governments.

7.5. The shortfall in expenditure on social housing schemes in First Five Year Plan was Rs. 12.38 crores out of a total allocation of

Rs. 37.50 crores. The position in the Second and Third Plans was no better. In the years 1966—69 the progress of housing in the Annual Plans picked up and the funds allocated for housing were fully utilised. For the Fourth Plan Rs. 74.09 crores representing 59.5 per cent of the total allocation had been utilised by 1971-72. Although, now the financial allocations are, by and large, being put to use, there is some apprehension that allocations to States for housing may partly get diverted to other heads of development. The Government should persuade State Governments to agree that it would not be permissible for the funds earmarked for housing to be diverted for other development purposes.

7.6. Housing has been given low priority in the Five Year Plans, as will be evident from allocation of financial resources for housing in the successive Five Year Plans. The outlay on social housing schemes in the First Plan was Rs. 37.50 crores, representing 1.6 per cent of the public sector outlay. In the Second Plan, it was Rs. 101.14 crores representing 1.8 per cent of the outlay and in the Third Plan, it was only Rs. 179.00 crores, representing 1.6 per cent of the public sector outlay. In the Fourth Plan, the outlay is Rs. 124.53 crores which represents only 1 per cent of the public sector outlay. The Committee feel that housing should receive a higher priority, for it is well-known that neither health nor education can improve if the persons are denied minimum shelter.

7.7. It is evident that the importance of a basic necessity like housing has not been fully realised. Lower priority accorded to housing is not conducive to the adequate exploitation of resources for housing purposes from the financial institutions also. Housing should be considered as a basic necessity and accorded appropriate priority in our Five Year Plans.

7.8. It is strange that even after 25 years of independence and the implementation of several Five Year Plans, the national policy on housing has not been spelt out by Government so far. It is only now that a Steering Group of the Planning Commission has been asked to go into the question of spelling out national policy on housing. This is indicative of the fact that Government have not given all these years concerted attention to the important problems of housing.

7.9. In several countries (both developed and developing), enactments on housing exist. It has not been possible to enact any housing law for the country so far, as housing does not find a specific place in any of the three lists in the Seventh Schedule of the Constitution and the position in this behalf is still "Hazy."

7.10. Government should formulate the National Housing Policy before the end of the year so as to provide clear and firm guideline

for the housing programme in the Fifth Plan and onwards.

7.11. In the light of the policy, Government should also take action to bring forward the necessary legislation on housing so as to make clear the role and functions of Central and State Governments and various other financial and executing agencies.

7.12. Although the Private Sector has been assigned a major role in the matter of housing in the Five Year Plans, the investment of the Private Sector in the field of housing has not been of an organised nature and has tended to flow towards construction of owner occupied houses or luxury type housing generally having a promise of attractive returns and that too in major Urban and Metropolitan cities only with the result that as far as objectives like housing of the masses or planned regional economic growth are concerned, the contribution of the Private Sector has been negligible. The Private Sector has not been coming forward for the construction of housing for the common people, as it is not economically rewarding for them. The saving potential of the common man in the country is so low that he cannot invest sufficient funds for housing and neither the Government nor the financial institutions in the country have floated any major scheme to provide finances for houses construction to the common man at reasonable terms linking shelter with small savings and deferred payment system. If Government intend to utilise the Private Sector in the field of house construction for the common man they will have to influence the direction of investment by Private Sector in the field of housing by making it attractive for them to invest in low cost housing. The Government should encourage people to construct their own houses by making land available to them at reasonable cost, by providing easy credit facilities through the medium of financial institutions like banks and L.I.C. and by making available building material in time at reasonable price and sufficient quantity.

7.13. The Life Insurance Corporation is investing about 15 per cent of its investible funds in the housing schemes and together with investment on electricity, rural Water Supply and sewerage schemes, the investment of Life Insurance Corporation's funds to the socially oriented schemes come to about 26 per cent of the investible funds. Keeping in view the pressing need for funds for housing and the preamble of the Life Insurance Corporation Act that funds would be invested in ventures which further the social advancement of the country, the Life Insurance Corporation should increase its investment in housing and allied fields.

7.14. From the information supplied by the Life Insurance Corporation, it has been noted that there has been perceptible increase in the number of applications for grant of loan under various schemes, particularly under 'Property Mortgage' and 'Own Your House' Scheme in 1971-72 as compared to 1970-71. While this increase of more than hundred per cent is welcome, it is seen that the number of applications disposed of during the period has not correspondingly risen. In fact, the number of applications pending on 31st March, 1972 were more than 50 per cent of the number of applications received. It need hardly be stressed that such applications should be disposed of most expeditiously in the interest of expediting construction of houses.

7.15. It is suggested that senior officers dealing with the loan applications may set aside a specified time during which the applicants whose applications have been pending for disposal beyond the prescribed time limit may see them so that the matters are got expedited. In view of the fact that more than 50 per cent of the applications have been shown as outstanding on 31st March, 1972, the headquarters and the zonal officers of the Life Insurance Corporation should keep a special watch on the disposal of pending applications by prescribing suitable returns and issue of suitable instructions after due consideration.

7.16. Banks are at present not making any significant contribution in financing of housing programmes in the country and the main reason for this is the absence of refinancing and guarantee facilities for the loans sanctioned for housing. The Banking Commission which had gone into the question of housing finance by banks in their Report submitted in 1972 have recommended in respect of urban co-operative banks that lending for long term purposes such as houses construction should be allowed subject to a ceiling that may be specified by the Reserve Bank of India and that an apex financing institution to attract savings linked to the provision for construction or purchase of house be set up. The Commission has further recommended that either the Housing and Urban Development Corporation should play the role of this apex housing organisation in which case it should shed its non-financial functions or alternatively an apex institution should be sponsored by the Reserve Bank. The Commission has also recommended that commercial banks may give short and medium term credit to the builders in order to enable them to undertake mass housing construction programme and to the extent administrative and personnel resources permit, commercial banks may also give credit to individual desiring to own or construct houses.

7.17. The recommendations of the Banking Commission which were given in 1972 are still under the consideration of Government in consultation with the Reserve Bank of India. It is stressed that an early decision in the matter may be taken so that loans are available to working persons as in other countries to finance purchase/construction of a house during his working career rather than invest his life long savings to construct a house near-about the time of his retirement. It is felt that co-operative banks and other nationalised banks, who have now opened branches in most industrial and agricultural areas could play a significant role in meeting the genuine requirements of working persons who are desirous of constructing a house and pay for it in easy instalments.

7.18. The World Bank have shown interest in recent months in financing housing projects and that one of the Appraisal Teams of the World Bank has visited Calcutta in that connection. Government should follow up the matter with the World Bank authorities so as to secure the necessary financial assistance at the earliest. This could well serve as a model for securing similar assistance for projects to relieve the acute housing shortage in other metropolitan cities. Another field, in which the United Nations help can be taken relates to modernisation of building industry with a view to reduce construction cost. It is understood that the United Nations Development Programme envisages assistance equivalent to twenty per cent of the estimated cost. Since lack of availability of building material constitutes one main constraint in stepping up construction of houses, Government should examine in the context of expanding and modernising building industry the extent of help which could be taken with advantage in the United Nations Development Programme.

7.19. It is surprising to note that while there is an all-round complaint of non-availability of resources for construction of houses by the State Government etc., the representative of the HUDCO has stated that the resources available with the Corporation are not being used and there are some States who have not submitted any schemes to the Corporation. Government should review the position at the earliest and take necessary action in coordination with HUDCO and State Governments and State agencies to ensure that the funds available for housing are distributed to the States in accordance with their requirements and the overall priorities determined in that behalf.

7.20. Housing and Urban Development Corporation should make special efforts to undertake housing efforts in the backward areas. As regards promoting use of alternative material in place of scarce

material like cement and steel, it is noted that a number of other Government agencies are already engaged in this work namely National Building Organisation, New Delhi, Central Building Research Institute, Roorkee, C.S.I.R. etc. HUDCO should ensure that maximum advantage is taken of the research already carried out and the knowledge about proven alternative materials which are cheaper reaches the construction agencies in the field.

7.21. It is noted that HUDCO have decided to go in for construction of houses in Calcutta. The N.B.C.C. is already charged with the responsibility of undertaking the construction. The Government should review the matter at the highest level to avoid any duplication of effort in the field.

7.22. Availability of land for house construction is the first prerequisite for any housing programme and that due to the exorbitant rise in price of land particularly in urban areas and metropolitan cities, it is not possible for a common man to purchase land to construct a house. Although the question of evolving an urban land policy is receiving the attention of Government, no specific policy has been laid down so far. Government should lay down land policy early which should be directed towards making land of suitable size available to the common man at a reasonable price.

7.23. The present procedure of land acquisition is very slow, tardy and involves a lot of litigation and this is time-consuming with the result that a number of housing programmes are delayed. Early steps should be taken to make the procedure expeditious and more worklike.

7.24. The scheme for provision of house-sites to landless workers in rural areas was introduced in October, 1971 as a Central Sector Scheme and under the scheme the entire cost of acquiring and developing land for providing house sites will be met by the Government of India as 100 per cent grant assistance. 13 States have already submitted their schemes to the Central Government and projects in respect of 1167 Development Blocks/Panchayats of eight State Governments involving Central assistance of Rs. 10.75 crores for provision of 3,08,137 house-sites have already been approved and the remaining projects are under the consideration of Government. It is felt that the Scheme is a right step in the direction of providing shelter to the economically weaker sections of society and should gain momentum at the earliest. The State Governments should link the Scheme of providing house-sites with a programme

of construction of low-cost housing on those sites as has been done by the Kerala Government out of their own resources, public donations etc. while allotting house-sites under the scheme, preference should be given to Harijans and Adivasis.

7.25. It is surprising to note that some States have not yet submitted any project under the scheme so far. As 100 per cent financial assistance for acquiring and development of land is being provided by the Central Government, the reasons for reluctance on the part of the State Governments in submitting the scheme is difficult to understand. The Government of India should impress upon the State Governments who have not yet submitted any scheme so far about the urgent need for doing so expeditiously. It is noted that the necessary legislation and other administrative measures for the scheme are to be taken by the State Governments. It is hoped that State Governments would take expeditious action for acquisition and development of land involved in the scheme.

7.26. Although 83 per cent of India's population live in villages and about 73 per cent of the rural population reside in unsatisfactory 'kutchra' structures, the problem of rural housing has not received close attention of the Government. Although the shortage of houses in rural areas has been estimated to be about 18.6 million units, only 80,111 houses under the Village Housing Projects Scheme have been sanctioned since 1957 and only 50,525 houses *i.e.* about 2,000 houses per year on an average have been constructed. Although the Estimates Committee (1967-68) had drawn attention to the unsatisfactory performance of the Village Housing Schemes during the Three Five Year Plans and the apathy of the State Governments towards the scheme, the position has not shown any improvement and even the representative of the Government of India have admitted that in the matter of rural housing, the States had not paid that much attention that was needed and the funds were being diverted for other purposes.

7.27. It is distressing to note that the first draft outline of the Fourth Five Year Plan had made a provision of Rs. 25 crores for rural housing which was subsequently reduced to Rs. 11 crores and actually the States had made so far a provision of Rs. 5.16 crores for the village Housing Schemes. This speaks of the low priority accorded by the Government to the problem of rural housing in actual practice. Government should realise the urgent need of improving housing stocks in the rural areas and for the purpose gear-up the implementation machinery and make necessary planning in this direction. The Government should also attach proper importance to the need for environmental improvement in the rural

areas, and should take necessary steps for improving water supply, sanitation, sewerage etc. and sufficient funds for this purpose should be provided. Moreover, the funds provided for rural housing should be earmarked so that the same could not be diverted for other purposes.

7.28. Although the Estimates Committee (1967-68) had pointed out that the scheme has suffered from organisational weakness at the field level, no effective steps have been taken to remedy the situation and only recently the State of Gujarat alone have thought fit to set up a Rural Housing Board. Immediate steps should be taken to tone up the field organisation to implement the Village Housing Scheme and the remaining States should be persuaded to set up at an early date Rural Housing Boards or similar other suitable organisation in their States to give an impetus to the programme in the field.

7.29. The Ministry of Works and Housing has introduced 10 Social Housing Schemes to meet the housing needs of the economically weaker sections of the society, industrial workers and low income group of people etc. and since the inception of the scheme about 8 lakh houses have been sanctioned out of which about 6 lakh houses have been constructed. Looking at the needs of economically weaker sections of the society and the magnitude of the housing problem, programmes made under these schemes so far are far from adequate and much more vigorous and concerted efforts are needed to meet the problem.

7.30. It is noted that even in the case of middle income group housing scheme which was introduced as early as 1959 only 34,520 houses have been sanctioned for construction throughout the country out of which only 25,730 houses have actually been constructed so far. Similarly in the case of Integrated Housing Scheme for industrial workers and economically weaker sections of society which was introduced in 1952, only 2,29,992 houses have been sanctioned for construction out of which only 1,76,275 have actually been constructed. The position is worst in the case of Subsidised Housing Scheme for plantation workers which was introduced in 1956 and in which only 6,953 houses have so far been sanctioned for construction and only 1,747 that is nearly 25 per cent have only been constructed so far. It is distressing to note that the physical results achieved in respect of the Social Housing Schemes are very unsatisfactory. The State Governments have not taken sufficient steps to set up implementation machinery to implement the various housing schemes and have not given sufficient priority to these schemes. It is urged that the implementation machinery at the

field level should be geared up and strengthened and vigorous steps are needed to be taken to implement these housing schemes.

7.31. It is noted that the position in respect of provision of houses for the Central Government employees in Delhi is very unsatisfactory and as on 1-1-1972 only 42 per cent of the employees have been allotted houses, and there are at present 7,535 officers in Types I to IV who have put in more than 18 years of service and are still waiting for allotment and that the position is worst in the case of low-paid employees *viz.* Type II where the percentage of satisfaction is only 26.02 per cent. Most of these employees particularly low-paid employees are living in unhygienic and congested areas paying exorbitant rents and have to come to their place of duty from long distances which has been affecting their efficiency adversely. Government should pay immediate attention to this problem and make concerted efforts to improve the position.

7.32. It has been stated by the representative of the Ministry of Works and Housing during evidence that Government propose to provide houses to 75 per cent of its employees by the end of the Fifth Five Year Plan and have prepared a plan for Rs. 84 crores in this regard. The Committee hope that this plan would be taken in hand in right earnest and the target of 75 per cent achieved early at least in respect of lower types. However, even the completion of these quarters would depend upon a number of factors like availability of funds, materials, sites, approval of plans by the Local Bodies and provision of bulk services by local bodies. Government should take coordinated action and do some perspective planning from now and take necessary action for the completion of these quarters in time and provision of these bulk facilities by local bodies simultaneously with the completion of the quarters.

7.33. It is noted that the position in respect of housing for Central Government employees in some of the Metropolitan cities like Bombay, Calcutta and Madras is still worse and that in the city of Bombay out of 23,313 Central Government employees only 2,480 *i.e.*, 10.63 per cent have been provided accommodation. In the city of Calcutta out of 19,333 employees only 1,664 that is 8.06 per cent have been provided accommodation and in the case of Madras out of 6,652 employees only 397 that is 5.96 per cent have been provided accommodation. The housing conditions in all these Metropolitan cities is very acute and the Central Government employees particularly low-paid employees are not in a position to pay high rents being charged in these cities. Government should, therefore, take immediate steps to construct accommodation for the Central Government employees in these cities also on a priority basis and

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make concerted efforts to increase the percentage of satisfaction at least equal to that of Delhi.

7.34. In view of the urgent need of providing housing to large number of people in the country and low economic level of the people with the resultant low paying capacity, the problem of low cost housing has come to occupy an important place. According to a Survey conducted by the Operations Research Group, Baroda relating to the housing conditions and paying capacity of the masses in Gujarat standard housing of a value of Rs. 6,000|- is beyond the means of 51.6 per cent of the families in cities of a population of 1 lakh or more as against 62.3 per cent in smaller cities and 80.3 per cent in villages. It is felt that conditions in other parts of the country are in no way different and ways and means would have to be found to construct houses at cheap cost if any dent is to be made in the housing problem in the country. Although a number of research institutions in the country in the field of construction like Central Building Research Institute, Roorkee, Central Building Organisation, CSIR etc. have evolved new processes and techniques in the field of construction resulting in saving in the use of material and resultant costs, no concrete measures have yet been taken to popularise these processes or methods with the result that the agencies responsible for large scale construction like C.P.W.D., M.E.S. etc. have failed to utilise these processes in the field. An instance is that of fly ash which has been found quite a good substitute for cement to the extent of 15 to 20 per cent but still no concrete steps have been taken to popularise the use of fly ash in construction of buildings by C.P.W.D. etc. It has been admitted by the representative of the Government that as far as Central Construction agencies are concerned, they have been a little slow in adopting many of the recommendations of the N.B.O. It is surprising that at a time when construction of houses in the country is suffering because of non-availability of building material like cement, bricks etc. and consequent high prices of the building material, no serious efforts are being made to utilise the substitute material in the construction of houses to effect reduction in building cost and to augment the implementation of the housing programme.

7.35. Serious efforts should be made by the research institutions etc. to evolve new processes|methods etc. to effect economy in the use of building material etc., and find cheap substitutes for cement, bricks, timber etc., taking into consideration the local conditions. Once the processes|methods are evolved by these research institutions, these should be passed on to National Building Organisation to test its effectiveness and proper use in an urgent manner. Once

these are found effective, these should be passed on to construction organisations like C.P.W.D., N.B.C.C., M.E.S., etc. for use in the field. All these organisations should function in complete co-ordination and mutual understanding so that maximum benefits could be derived from the research done in the field of economy in construction costs.

7.36. The Government of Gujarat have taken some steps to evolve new designs of low cost housing at a cost of Rs. 3,500/- and even less and for this purpose the Government of Gujarat organised a workshop on low-cost housing and some designs are already under their consideration. The Government of Kerala have also taken up construction of houses at a cost of Rs. 2,000/- each on the plots of land allotted to the landless labourers under the scheme of Provision of Sites to Landless Workers. It is felt that these efforts are steps in the right direction and the Government of India should take effective measures to popularise these schemes in the remaining States also.

7.37 It is regretful that no concerted effort has been made by Central and State Governments Building Organisations or research institute to evolve a design which would be most suited to the requirements of persons coming from the weaker sections of the society. As a result of survey conducted in Gujarat has shown, more than 50 per cent of the persons living in bigger cities cannot afford to have a house costing Rs. 6,000 or more. The position in small cities is still worse. It has been felt that if houses for millions have to become a reality, the first and foremost task is to evolve a realistic design which would make it within the reach of these millions. There is need for intensifying research in building techniques in the use of alternative cheaper material, the adaptation of local materials and about all, in evolving a design which would be a realistic one and within the reach of these millions in the weaker sections of our society. There is no reason why the initiative taken by Gujarat and Kerala should not have been initiated at least a decade earlier so as to evolve by now a proven method for alleviating the over-congested condition of living and unchecked growth of slums in larger cities of the country. Government should review the position at the highest level and take effective measures to bring about close coordination and integration in the activities of the Central and State Organisations, building agencies and research institutions so as to evolve the most economic workable and realistic design by providing low cost housing for the masses.

7.38 It is noted that the National Buildings Organisation was set up in 1954 to ensure the best use of national resources and to co-

ordinate the efforts and findings of agencies engaged in technical activities and the Organisation is also expected to provide information and assistance to Government Organisations and agencies and to serve as a clearing house of all technical information and results of research. As the construction of houses is still being carried on the conventional lines and old designs with the use of age old material and techniques, it is felt that the National Buildings Organisation has not been able to discharge its functions effectively.

7.39. The success of the National Building Organisation should largely be judged in terms of the subjects with special reference to the break-through it has made in the field of substitution of materials by cheaper ones and by evolving designs for low cost housing, particularly for weaker sections of society. The National Building Organisation should pick out problems which are related to live issue faced in the field particularly in the matter of construction of houses for the masses and that care should be taken to see that the research carried out does not result in avoidable overlap and duplication.

The argument that because the Housing Ministers have been meeting every year or alternate year, the National Building Council which is the Governing Body for the National Building Organisation should not have met is not convincing. It is felt that the responsibilities in the behalf cannot be left solely to a standing Committee which consists mostly of officials. If the National Building Organisation is to function in a realistic manner to tackle the problems which are experienced in the field by States, it is of the utmost importance that its functioning should be reviewed at least once a year by the Governing Council, comprising of representatives of States so that its achievements can be critically examined with reference to the extension work done in the field and the future programme suitably modified to pay greater attention to problems faced in the field.

7.40. The National Building Organisation has not paid serious attention to the problem of rural housing which was made one of its responsibilities right from its inception in 1958. If the National Building Organisation had made concerted efforts on its own and in conjunction with other research institutes, architectural and building organisations, we would have by now evolved model rural houses suited to the requirements of different areas in States. This remains largely unrealised as would be evident from the fact that so far, the National Building Organisation in 14 years of its existence has developed only 78 houses in rural areas. There is need for making a concerted and intensive effort to evolve a realistic design which would be within the reach of the millions and which

would use materials readily and easily available and would serve best the essential needs of the occupants. The National Building Organisation should pay special attention to the new and old experiments which are being carried out in Gujarat and Kerala to evolve such designs and construct houses for masses so that these could be improved upon and adopted for extensive implementation in other States.

7.41. The Hindustan Housing Factory has done production of pre-fabricated houses on an experimental basis but because of incomplete equipment, the factory has not been able to make much contribution in the field of pre-fabricated housing and has been concentrating on the manufacture of electric poles and railway sleepers. It is noted that all over the world impressive progress has been made in the method of manufacturing components to accelerate the pace of construction of houses, particularly those required for industrial labour and for weaker sections of society. It is disappointing that though we have the Hindustan Housing Factory in the Public Sector, it should have failed to avail of the break-through which has been achieved in manufacturing components for housing on a mass scale and instead should have diversified its activities to sleepers manufacture and electric pole manufacture on the plea of lack of some equipment for undertaking manufacture of housing parts. Government should review the position urgently and take action to see that the Factory concentrates on its main objective of manufacturing components for housing. It is noted that the Government are having United Nations assistance for modernising this factory. Government should avail of this opportunity to rationalise the working of this Factory so as to facilitate the manufacture of components and parts required for housing on a scale in keeping with the requirements for mass housing. If these components and parts are to find acceptance, they should be evolved with reference to Indian conditions and should be of guaranteed quality accompanied by field service and be priced most competitively. It is only then that the Factory can expect to win orders on a sustained basis and develop its activities on the right lines.

7.42. As transport of components for houses is a cumbersome and expensive proposition, there is need for developing such construction housing factories for manufacture of components in other parts of the country. This may, however, be done after the manufacturing activities of the existing Housing Factory have been established on successful lines.

7.43. Availability of building materials in adequate quantities is a necessary pre-requisite for the success of any housing programme

in the country. It is noted that there has been an acute shortage of building material like bricks, cement, timber, steel etc. in the country. Even the Housing Boards have been facing considerable difficulties in completing their housing schemes because of shortage of building materials. The common man has to run from pillar to post to obtain these materials and has to purchase the same at exorbitant prices. It has been estimated that in spite of the various steps taken in the matter, the shortage of bricks will be to the extent of 51,000 millions and that of cement to the extent of 4.4 million tons in Fourth Plan period. Government should pay immediate attention to the need for increased production of these building materials in adequate quantities and to take steps to set up new units and expand and modernise the existing units. If the construction programme for housing has to make a marked progress, it is imperative that essential materials like bricks, cement, iron and steel should become available in adequate quantities so as not to hold back and impede the programme for construction of houses on a large scale.

7.44. It is noted that the National Buildings Organisation is undertaking for every five year plan, the assessment of building material required for execution of all construction programmes and the shortfalls are also being worked out and passed on to Planning Commission. The Organisation has also worked at the requirements of building materials till 1990 according to which the requirement of cement and steel in the country will increase to 7.74 million tonnes and 20.60 million tonnes in 1990 from 17.40 million tonnes and 4.60 million tonnes respectively in 1975. Unless steps are taken in right earnest from now on to raise the production of these materials, the country will be facing an acute shortage of these building materials in the years to come affecting the building programme adversely. It is hoped that the matter will receive the attention it deserves and a well co-ordinated and time bound programme for increasing the production of these materials would be drawn up and taken in hand.

7.45. There has been a considerable increase in the cost of building material in the country and in respect of all building materials, the index of prices has increased by 88.4 per cent. In actual practice, the common man has to pay even much more in the market to purchase these items because any delay in the supply of these materials disrupts his construction programme thus resulting in avoidable increase in cost of construction. The supply of building material at cheap and reasonable prices is an essential requisite if the individuals are to be encouraged to construct their own houses. The steps taken so far have not succeeded in keeping

the prices of these materials under check. Government should take more concrete steps to keep the price of building material within reach of the common man and the position should be reviewed every year to see what particular steps can be taken to check the prices.

7.46. The Delhi Development Authority and Gujarat Housing Board have taken measures to meet their requirements of material. Government should consider whether these authorities may not extend their activities further so as atleast to make available raw materials at competitive rates to persons coming from weaker sections of the society who are constructing houses in the area served by them. Such extension of activity is bound to have a sobering effect on the market and may result in effectively checking the spiralling up of the prices of construction materials which have been acting as a great constraint on the construction of houses.

7.47. The brick and tile industry has come to play an important role in the construction programme of the country and that according to an assessment made by National Buildings Organisation, there would be a shortage of about 51,000 million bricks in the country during the Fourth Five Year Plan period. The National Buildings Organisation has suggested the establishment of 50 mechanised brick kilns, ten sand line brick plants and five cellular brick plants to meet the shortage. Steps to set up these units as suggested by National Buildings Organisation should be taken early to meet the acute shortage of bricks in the country.

7.48. Although clay technology has undergone a great change all the world over and new machines have been introduced for production of bricks, in India the brick manufacture is still being carried on conventional lines by manual labour and out moded processes of manufacture resulting in great waste of time and material with consequent increase in cost. Research institutions in the country should evolve a semi-mechanised method of brick manufacture in the country and after field trial, steps should be taken to popularise the use of these methods. Government should also take initiative to set up semi-mechanised brick kilns in the country. In this connection, it is noted that the Delhi Development Authority have already established a brick kiln for their use and they are getting bricks at a control rate of Rs. 54 per thousand. Housing Boards in States should be persuaded to take similar steps to meet the shortage of bricks.

7.49. Although bricks kiln industry occupy an important place in the construction industry and has provided employment to a large number of people, the industry has not been recognised as a small scale industry. It has been stated that the question of recognising the brick industry as a Small Scale Industry is under the consideration of the Development Commissioner, Small Scale Industries. An early decision should be taken in the matter and the industry reorganised as a Small Scale Industry.

7.50. The brick industry is suffering adversely because of non-availability of coal as sufficient wagons for transportation of coal are not being provided by the Railways. Ministry of Works and Housing have informed that the issue has been taken up with the Railway Ministry and adequate quantities of rakes for movement of coal had been assured. Railways should accord higher priority to the allotment of wagons for movement of coal for the brick industry.

7.51. It is not understood why brick industry which is labour intensive and is capable of generating large employment should not have received urgent attention of Government with a view to develop it on sound modern lines. The Housing Boards and HUDCO should take a lead in encouraging modernisation of existing kilns and in establishing new ones, but it should be made sure that the end product becomes available to the genuine builders of houses at most competitive rates. Pilot brick kilns, using semi-automatic and automatic processes should be developed so that after field trials, those act as models for development in different parts of the country. Standard specifications for bricks should be developed so as to ensure quality.

7.52. Although the entire country is facing housing problem, the condition of housing in metropolitan cities like Calcutta, Bombay and Delhi as particularly acute and due to the large scale migration of rural population to these cities in search of employment opportunities, the position is increasingly becoming alarming. According to conservative estimate about 27 lakhs of people (15 lakhs in Calcutta and 12 lakhs in Bombay) are living in slums in two cities only in most un-hygienic and insanitary conditions and in the city of Delhi 70 per cent of the population are living without even basic amenities of life. The 'bustees' of Calcutta, 'Chawls' of Bombay and 'Kuchas' and 'Jhuggis and Jhopris' of Delhi are living examples of human degradation and are denied even basic facilities like sanitation, drinking water, drainage etc. The problem of housing of families belonging to lower income group and weaker sections

of society in these metropolitan and urban areas in a matter of particular concern. According to some experts, the discontent which has been prevailing in the eastern sector, particularly in Calcutta, is due not a little to the existence of slums and bustees which deny even the maximum basic amenities and facilities to human beings living there. Government should pay special attention to the problem of having a crash programme to tackle the problem of providing satisfactory accommodation to families in lower income groups and the weaker sections of society with facilities like drinking water, drainage, easy transport, electricity etc. It is of the utmost importance that planning in this behalf should be done most carefully so that the scheme commands ready acceptance by all concerned and achieve the purpose of removing slums. It should be possible for Government to draw up guidelines and help in preparation of detailed plans for meeting squarely this challenging problem.

7.53. It is noted that a number of housing schemes with the intention of increasing housing units are in operation in various cities in the States. These housing schemes are however not related to work centres. Moreover facilities like education, sanitation, provision of electricity etc. and the important facility of transport related to work centres are not available, with the result that in a number of areas even when the construction of houses has been completed, the same have remained vacant for a considerable period in the absence of these facilities. An instance is that of construction of Government quarters in Rama Krishna Puram in Delhi where these quarters remained vacant for a considerable period of time because simultaneous action to provide water, electricity, sanitation etc., was not taken resulting in considerable loss to public exchequer and denial of facility of accommodation to eligible persons even after the construction had been completed. It is felt that the sectoral co-ordination to provide simultaneous facilities in any newly developed colony is the essence of the matter and should be given utmost attention at the time of formulation and execution of any housing scheme. Whenever any large scale housing scheme is taken up for execution a high powered authority should be designated and entrusted with the task of inter-sectoral planning which should oversee all the various activities connected with the provision of infra-structure facilities and maintain co-ordination between the various agencies. The Government of India have advised the State Governments to set up Development Authorities for large metropolitan cities somewhat on the pattern of Delhi Development Authority. The setting up of such authorities should be expedited in Metropolitan and other large cities where large scale

housing projects are under execution, so as to maintain the inter-sectoral coordination and these authorities should be given necessary powers to oversee the completion of various activities connected with housing etc.

7.54. The Calcutta Metropolitan Development Authority has been set up to execute and implement a basic development plan for the overall development of Calcutta and the Authority has started execution of a Rs. 10 crore plan aiming at the provision of basic amenities like housing, drinking water, sanitation, drainage etc. This is a step in the right direction as the problem of Calcutta has reached an alarming stage and brooks no delay. Government of India should provide every facility and encouragement to ensure that the plan is executed expeditiously and effectively.

7.55. It is surprising that even in a city like Delhi which is the capital of the country and seat of the Central Government, such co-ordination has been lacking with the result that in many cases simultaneous action to provide facilities of provision of water, electricity, drainage, transport, medical facilities, education etc. has not been taken. Immediate action to remedy the situation should be taken. In this connection, the suggestion made by the representative of the Delhi Development Authority that the Lt. Governor of Delhi may be made head of these organisations and should enjoy all the powers of the Central Government so as to bring about necessary coordination, merits serious consideration by Government.

7.56. The Central Scheme for Environmental Improvement of Slums provides for cent per cent assistance to the State Governments for improvement of slums in 14 cities and that an amount of Rs. 15 crores is expected to be released in the current year under the scheme. While 185 projects under the scheme involving an amount of Rs. 6 crores have already been sanctioned, 550 projects involving an amount of Rs. 13.76 crores are still pending approval of the Central Government. Urgent action to clear the pending projects should be taken and steps taken to ensure the implementation of these schemes without delay. During the current financial year 1972-73, the scheme has been made applicable to 14 cities and it has been decided to extend the scheme with effect from 1st April, 1973 to 6 more cities. Government should review the results of implementation of this scheme in the above cities and to remove the deficiencies, if any, in its implementation. Thereafter action may be taken to extend this scheme to large cities for which perspective plan should be prepared and implemented.

7.57. A Slum Improvement|Clearance Scheme was introduced by the Government of India in 1956 and the primary object of the scheme was to clear the slums and resettle the slum dwellers near their place of duty but as it was found by experience that clearance of slums was very difficult, the scheme for environmental improvement of slums had to be introduced. While agreeing that the present scheme is a step in right direction, it is stressed that the problem of slums cannot be solved by environmental improvement alone. In many cases, action has to be taken for the clearance of these slums and resettling the slum dwellers near their place of work. At least in those cities like Simla and Chandigarh where there are no extensive slums, slum clearance can be attempted easily and preventive measures can be taken to ensure that slums do not grow there. At the same time advance action should be taken in consultation with State Governments to ensure that slums are not created in other cities meanwhile.

7.58. It is realised that in cities like Calcutta, Bombay, Delhi, etc., which are already very congested and where the social utility services like water, electricity, housing are scarce, it may not always be possible to settle the slum dwellers in the heart of the city and near their place of work, and steps may have to be taken to resettle these slums dwellers in neighbouring colonies and satellite and ring towns. But this can be successful only if adequate provision of mass transport is made from such towns and suburban areas to the Metropolitan cities and back, so that the persons working in bigger cities particularly those belonging to low income group can commute to their places of work and go back to the smaller towns where proper housing facilities, sanitation, sewerage, educational facilities for children might be provided to them. A comprehensive integrated plans for providing cheap and quick means of transport on long and short term basis should be prepared by Government in consultation with the State Governments and local authorities and necessary steps to shift these slum dwellers to those outlying colonies and towns may be taken.

7.59. Slums grow in the metropolitan cities because of the drift of population to the metropolitan cities in search of employment as at present employment opportunities are largely available in bigger cities. The problem of slums may continue to be with us unless comprehensive plans are prepared to provide opportunities of employment in smaller cities and towns. There has to be a purposeful and action-oriented planning to inhibit the growth of industries and big offices in these Metropolitan cities. It is well known that the big cities are outgrowing their physical boundaries and have

become over-populated. The social and economic costs of providing housing social utilities and services to large populations in these cities have become prohibitive. A solution to these problems lies in keeping the population in these bigger cities within manageable and specified limits. Government will have to consider whether the optimum size of these cities may be fixed taking into account the prospects and costs of providing necessary social services like water, electricity, transport, education and recreation facilities etc. to their population at reasonable costs. The big cities also pose the problem of environmental pollution. Urgent and immediate action should be taken by Government in this regard so as to avoid the growth of slum conditions and other attendant problems in the big cities.

NEW DELHI;

KAMAL NATH TEWARI,

April 18, 1972.

Chairman,

Chaitra 28, 1895 (Saka).

Estimates Committee.

APPENDIX I

(Vide para 3.35 of the Report)

Special features of Social Housing Schemes

Integrated Subsidised Housing Scheme for Industrial Workers and Economically Weaker Sections of Community

1. *General*

Originally the benefits of this Scheme were restricted to eligible industrial workers only. In April, 1966, the housing programme for economically weaker sections of the community (which was initiated in 1962 as part of the Low Income Group Housing Scheme) was also integrated with the Scheme.

2. *Eligibility*

(a) Housing Programme for Industrial Workers

The following categories of workers, whose wages do not exceed Rs. 350|- p.m. are eligible for the benefits of this programme:—

- (i) Industrial Workers covered by Section 2(1) of the Factories Act, 1948; and
- (ii) Mine workers (other than those engaged in coal, mica and iron ore mines) falling within the meaning of section 2(h) of the Mines Act, 1952.

Financial assistance is, however, not admissible for the housing employees of Central and State Governments, local authorities (including municipal bodies), and of statutory bodies, even though their workers may be covered by the legislative provisions mentioned above. Financial assistance is, however, admissible to Statutory bodies, corporations or companies owned in part or in full by the Central or State Governments for the housing of their eligible workers, if they are liable to income-tax in respect of their earnings or a part thereof.

(b) Housing Programme for economically weaker Sections of the Community

All persons with income not exceeding Rs. 350|- p.m. are entitled to the allotment of houses under this programme. However, persons with income between Rs. 251|- to Rs. 350|- p.m. are considered for allotment of houses only after satisfying the requirements of persons with income upto Rs. 250|- p.m.

3. Financial assistance

While houses for industrial workers can be built by State Governments, Statutory Housing Boards and Local Bodies registered cooperative societies run on co-tenancy basis and industrial employers, houses for economically weaker sections of the community can be built only by State Governments, Statutory Housing Boards and Local Bodies. The pattern of financial assistance is indicated below:—

| Approved Agency | Loan | Subsidy | |
|--|-------------|-------------|-----------------------------------|
| (i) State Governments' Statutory Housing Boards and Local Bodies. | 50 per cent | 50 per cent | } of the approved cost of houses. |
| (ii) Registered Co-operative Societies of eligible industrial workers (which are run on co-tenancy basis); | 65 per cent | 25 per cent | |
| (iii) Employers | 50 per cent | 25 per cent | |

NOTE :— In the case of co-operative societies of eligible workers, the balance of 10% which is the worker's own share of the cost, can be drawn by him as a non-refundable advance from his Provident Fund Account.

4. Type of construction

In addition to the construction of pucca houses (small two-roomed and regular two-roomed houses), the State Governments can also provide open developed plots, skeletal houses and hostel and dormitory buildings at lower rents for eligible industrial workers and persons of the economically weaker sections of the community, who cannot pay the rents prescribed for pucca houses.

5. Ceiling costs and standard rents

The current ceiling costs and the standard (subsidised) rents based on 50 per cent of the cost of construction are indicated in the attached schedule. The standards of accommodation, ceiling costs and the subsidised rent are revised from time to time in consideration of the rise in the cost of construction etc.

6. Repayment of loans

Prior to 1969-70, the loans to State Governments were recoverable in 30 years. With the introduction of the system of 'block loans and block grants' from 1969-70 onwards, the loans are repayable by the State Governments in a period of 15 years. Loans to third parties (Cooperative Societies and Private Employers) are advanced by the Governments of States and Union Territories. The State Governments etc. are responsible for repayment of loans to the Central Government.

7. Retention of houses by allottees on crossing the wage|income limit of Rs. 350|- p.m.

With a view to mitigating the hardships faced by the allottees who have to vacate the accommodation allotted to them on crossing the wage|income limit of Rs. 350|- p.m., they may be permitted to retain the accommodation even after crossing the above limit till he reaches the wage/income limit of Rs. 500 p.m. on payment of certain charges over and above the standard (subsidised) rent.

8. Implementing Authority.

Although the Scheme has been formulated by the Government of India, in the Ministry of Works and Housing, it is actually administered by the State Governments in whose territorial jurisdiction the construction of houses is contemplated. The Employers and the Cooperative Societies who want to build houses under the Scheme are to apply for financial assistance to the State Government concerned. The detailed particulars of the Scheme and other information about the requirements to be fulfilled by them may also be obtained from the State Governments.

Schedule of overall ceiling costs and Standard rents effective from the 1st April, 1967.

| S. No. | Type of accommodation | Overall ceiling cost | Standard rent per month with 50 % subsidy |
|--|--|----------------------|---|
| 1 | 2 | 3 | 4 |
| | | Rs. P. | Rs. P. |
| I. Outside Bombay and Calcutta and their Industrial Areas | | | |
| (i) | Open developed plot | 1850·00 | 7·00 |
| (ii) | Skeletal house | 2900·00 | 11·50 |
| (iii) | Small two-roomed house (Single storeyed) | 4850·00 | 20·00 |
| (iv) | Small two-roomed house (Double storeyed) | 5100·00 | 21·50 |
| (v) | Small two-roomed house (Multi-storeyed) | 6750·00 | 26·00 |
| (vi) | Regular two-roomed house (Double-storeyed) | 5600·00 | 24·00 |
| (vii) | Regular two-roomed house (Double-storeyed) | 6150·00 | 26·00 |
| (viii) | Regular two-roomed house (Multi-storeyed) | 8050·00 | 32·00 |
| II. In Bombay and Calcutta and their Industrial Areas | | | |
| (i) | Open developed plot | 2800·00 | 11·50 |
| (ii) | Skeletal house | 4250·00 | 18·50 |
| (iii) | Small two-roomed house (Single-storeyed) | 6750·00 | 31·00 |
| (iv) | Small two-roomed house (Double-storeyed) | 7100·00 | 32·50 |
| (v) | Small two-roomed house (Multi-storeyed) | 8450·00 | 38·00 |
| (vi) | Regular two-roomed house (Single-storeyed) | 7750·00 | 35·00 |
| (vii) | Regular two-roomed house (Double-storeyed) | 8400·00 | 39·00 |
| (viii) | Regular two-roomed house (Multi-storeyed) | 10600·00 | 48·50 |

SPECIAL PROVISIONS**(A) Special provisions relating to ceiling costs**

- (i) There will be no distinction between the cost of building and the cost of land, and the overall ceiling cost indicated above will only be applicable.
- (ii) For items 1 (i) to (iv), (vi) and (vii), the overall ceiling costs may be raised by Rs. 1000/- extra per dwelling unit in towns with a population of more than three lakhs and Rs. 450/- extra per dwelling unit, in towns where the population is from one to three lakhs.
- (iii) In respect of construction of skeletal and pucca houses in black cotton soil, or reclaimed, or hill areas necessitating deeper and stronger foundations etc. or higher transport costs etc., Rs. 550/- extra per house on the overall ceiling costs may be allowed.
- (iv) The overall ceiling costs in Bombay, Calcutta and other cities will apply not only to the areas within the jurisdiction of their municipal corporations but also to adjoining industrial areas as defined by their State Governments with the approval of the Government of India.
- (v) Within the limits of the Municipal Corporation of Bombay and Calcutta, ordinarily multi-storeyed houses should only be constructed, and other types of accommodation should be resorted to only when justified by special considerations, such as low-bearing capacity of soil, lack of adequate water supply and sewerage facilities, low-rent paying capacity of the workers, difficulty of joint cooperative ownership by workers etc.
- (vi) The financial assistance for construction in Asansol, Durgapur and Kalyani areas will be based on the same ceiling costs, as prescribed for Bombay and Calcutta and their industrial areas.
- (vii) In cases, where the cost of construction of houses exceeds the prescribed ceiling costs, there is no objection to the utilisation of savings from other houses by State Governments, Statutory Housing Boards, and Municipal Bodies for meeting the excess expenditure, provided the houses involved are of the same type, are built in the same town and the construction thereof is simultaneously sanctioned as a part of the same project. Such diversions are not permitted in cases which do not satisfy these conditions.

B. Special provisions relating to Standard rents

- (i) There is no objection to the charging of lower rents.
- (ii) These rents are inclusive of rates and taxes. In case the State Governments succeed in lowering the rates and taxes, the benefit of any such reduction should be passed on to the tenant in the form of lower rents.
- (iii) These rents are exclusive of charges for water and electricity, and for any special services not covered by the normal municipal services.
- (iv) Irrespective of the approved Agency involved the following increase in the rents will be allowed:—
 - (a) Rs. 3.50 p.m. per skeletal/pucca house in Maharashtra and Gujarat States and in Calcutta and its industrial areas;
 - (b) Rs. 4.00 p.m. per dwelling unit corresponding to the *ad hoc* increase of Rs. 1100 and Rs. 1.50 p.m. per dwelling unit corresponding to the *ad hoc* increase of Rs. 450/- mentioned in item (ii) of special provisions relating to the ceiling costs, except in cases already covered by (a) above;
 - (c) Rs. 2/- p.m. per dwelling unit corresponding to the *ad hoc* increase of Rs. 550/- mentioned in item (iii) of special provisions relating to the ceiling costs, except in cases already covered by (a) above.
- (v) The standard rents in respect of the dwelling units constructed in Asansol, Durgapur and Kalyani area will be the same, as those prescribed for Bombay, Calcutta and their industrial areas.
- (vi) The State Governments have full discretion to fix varying rents above or below the standard rents prescribed for different types of houses built by them, Statutory Housing Boards and Municipal Bodies, keeping in view the demand for these houses and the rent-paying capacity of the workers. The quantum of capital subsidy payable to the State Governments will, however, in all cases, be limited to the prescribed percentage of the approved cost of the project. The State Governments should also ensure that the excess rent recovered in respect of certain types of houses is wholly applied towards reducing the rent for other types of houses.

(C) Special provisions relating to hostels and dormitories

The ceiling costs and standard rents per person, applicable to the construction of hostel and dormitory types of accommodation, will be half and two-fifth respectively of those prescribed for corresponding small two-roomed houses in the various towns under the Schemes. In addition to the standard rent, a service charge upto a maximum of Rs. 3.00 p.m. per person may be levied for water, electricity, sanitary facilities etc.

Low Income Group Housing Scheme

The Low Income Group Housing Scheme was introduced in November, 1954. This Scheme is implemented by the State Governments and the Union Territory Administrations. It provides for the grant of the loans to persons, whose income does not exceed Rs. 7,200/- per annum and their Cooperative Societies for the construction of houses for their *bona-fide* residential use.

2. The Scheme also provides for the grant of loan assistance to:—

- (i) Cooperative Tenancy Societies Working on the principle of collective ownership;
- (ii) Public Institutions run on a no-profit no-loss basis;
- (iii) Non-government but recognised—
 - (a) Health Institutions and Hospitals,
 - (b) Educational Trusts and Educational Institutions (including Universities), and
 - (c) Charitable Institutions;
- (iv) Local Bodies; and
- (v) State Governments, Union Territory Administrations and their designated Agencies, such as Housing Boards etc.,

for the construction of houses which can be sold or given on rent on a no-profit no-loss basis to eligible persons in the low income group. The State Governments may ear-mark upto 33.13 per cent of the houses built by them under the Scheme, for allotment on rental basis to eligible employees of the Central and State Governments.

3. The amount of loan is restricted to 80 per cent of the cost of a house (including the cost of developed land) subject to a maximum of Rs. 14,500|- per house, to individuals, cooperative societies etc. But in the case of construction undertaken by State Governments, Union Territory Administrations, Housing Boards and Local Bodies, loan assistance equivalent to 100 per cent of the cost of construction of a house (including the cost of developed land) is admissible, subject to a ceiling of Rs. 18,000|- per house. The ceiling cost of construction of a house is Rs. 18,000|- (excluding cost of developed land).

4. *Floor Area.*—The accommodation to be provided in each house, built under the Scheme, should not be less than 232 square feet and normally not more than 1,200 square feet of floor area.

5. Loans can also be granted for (i) purchase of new ready built houses from reliable building agencies and (ii) construction of residential portion of the premises which are intended to be used for shop-cum-residential purposes.

6. An advance not exceeding 20 per cent of the approved house-building loan is also admissible to an applicant for the purpose of completing the purchase of a developed plot of land (for construction of a house), where he has already paid at least 50 per cent of the cost from his own resources. This facility is intended for individuals and their cooperatives only.

Subsidised Housing Scheme for Plantation Workers

1. *General:*

(a) The Plantations Labour Act, 1951 (Section 15) makes it obligatory on every planter to provide rent free residential accommodation to eligible workers. Many planters were unable to discharge this statutory obligation due to financial difficulties. To help the planters, the Plantation Labour Housing Scheme was formulated in April, 1956. Originally, it was purely a loan scheme envisaging grant of loans to planters through the State Governments to the extent of 80 per cent of the approved ceiling cost of a house, the balance 20 per cent being contributed by the planters themselves.

(b) On the recommendation of the Working Group of Plantation Labour Housing set up by the Department of Labour and Employment, the aforesaid scheme was modified in July, 1967 to provide for financial assistance to the extent of 75 per cent of the approved cost—50 per cent as loan and 25 per cent as subsidy.

(c) This Scheme has been transferred from the State Sector to the Central Sector in the Fourth Plan with effect from the year 1970-71, and the quantum of subsidy has been enhanced to 37½ per cent. The Planters are now required to find only 12½ per cent of the capital cost from their own resources. Provision for financing the Scheme is now made in the Central Budget and made available to State Governments outside their Plan ceiling.

2. Eligibility:

The Scheme applies to plantation workers as defined in section 2(e) of the Plantations Labour Act, 1951.

3. Types of accommodation:

Normal two-roomed houses and small two-roomed houses may be provided under the Scheme depending upon the availability and cost of land, construction costs, economic conditions of the plantations, wages and average size of the family of workers etc. The standards and specifications for these houses will be prescribed by the State Governments|Union Territory Administrations, in consultation with the respective Tripartite Advisory Boards constituted by them as provided in the Scheme.

4. Ceiling costs:

The existing ceiling costs of houses admissible for central assistance under the scheme are as under:—

| | |
|---------------------------------------|-------------|
| (i) Normal two-roomed house | Rs. 4,000/- |
| (ii) Small two-roomed house | Rs. 3,200/- |

5. Repayment of loans:

Financial assistance (loan and subsidy) is made available by the Centre to the Governments of concerned States and Union Territories for implementation of the Scheme. The loan content of the assistance is repayable by them in 15 years with rate of interest as may be fixed by the Central Government from time to time.

6. Implementing Authority:

The Scheme is at present being implemented in six States—Assam, Kerala, Tamil Nadu, Mysore, West Bengal and Tripura. They have been vested with power to scrutinize and sanction the projects formulated under the Scheme and to disburse financial assistance to the Planters in accordance with the provisions of the Scheme.

SLUM CLEARANCE AND IMPROVEMENT SCHEME

The Slum Clearance and Improvement Scheme was introduced by this Ministry in May, 1956. This Scheme which is being implemented through the State Governments provides for:—

- (a) the acquisition of slum areas and the re-housing of families living in slum areas whose income does not exceed Rs. 350|- p.m.
- (b) the improvement of environmental conditions in existing slums (e.g. paving of streets, provision of W.C.S., water supply, street lights and drainage).
- (c) construction of Night Shelters (to provide sleeping accommodation to pavement dwellers on a nominal charge).

2. (a) The scheme provides for grant of financial assistance to the State Governments by the Central Government to the extent of 87½ per cent of the approved cost of the projects (50 per cent as loan and 27½ per cent as subsidy); the remaining 12½ per cent is provided by the States/local bodies as their share of subsidy.

(b) In addition to 37½ per cent of subsidy admissible under this Scheme, another 12½ per cent subsidy is also admissible for the re-housing of slum dwellers belonging to Scheduled Castes and Scheduled Tribes out of the funds available with the Department of Social Welfare for the benefit of these communities. If this additional subsidy is taken advantage of the loan content of the Scheme is reduced to that extent.

3. The State Governments and local bodies can provide dwelling units i.e. open developed plots, skeletal houses, dormitory|hostel type accommodation or pucca tenements to the slum dwellers. The cost of these dwelling units ranges between Rs. 1850 and Rs. 8750 per unit, and the subsidised rental (based on 50 per cent of the approved cost of construction) ranges between Rs. 6 and Rs. 39 per month, depending on the type of construction and the place of construction.

4. The improvements in environmental conditions in slum areas and improvement of pucca built slum dwellings that may be undertaken under the Scheme comprise the following items:—

- (i) Improvement of environmental conditions which comprises the following items within (and not outside) the slum area taken up for improvement:—
 - (a) Laying of water mains, sewers and storm water drains.
 - (b) Provision of community baths, latrines and water taps.

- (c) Widening and paving of existing roads and lanes and constructing new roads and lanes.
 - (d) Providing street lighting.
 - (e) Cutting, filling, levelling and landscaping the area, including horticultural operations.
 - (f) Partial development of the slum area with a view to provide land for unremunerative purposes such as parks, playgrounds, welfare and community centres, police stations, fire station and schools, hospitals dispensaries etc. run on a non-profit basis.
- (ii) Improvement of pucca built slum dwellings which embraces the following items of improvement and/or conversions:—
- (a) Providing WCs, bath rooms, and water taps inside or near the dwellings.
 - (b) Electrification of the dwellings and the premises.
 - (c) Conversion of the privy to the water-borne system and connecting to main drains.
 - (d) Providing smokeless chullahs and nahani sinks in kitchens.
 - (e) Enlarging the sizes of the rooms or the dwellings to adequate standards.
 - (f) Increasing the area windows to provide adequate light and ventilation.
 - (g) Providing adequate open spaces for the opening up of chowks.
 - (h) Paving of court-yards and drainage of the premises.
 - (i) work carried out for removing fundamental defects in planning, such as inadequate ceiling height for rooms narrow and steep staircases etc.
 - (j) Work carried out for removing fundamental defects in the structures, such as dampness dilapidation etc.
- (iii) *Improvement of slum dwellings owned by private owners.*

Improvement of slum dwellings owned by private landlords is their responsibility. They can be given loan assistance, if necessary, by the local bodies with funds made available to them under the slum clearance/improvement scheme. Where the owner of a slum

property invests money for its improvement, he is entitled to raise the rent of the property, subject to the operation of such rent control laws as may be in force in the State. If the owners fail to carry out the improvements, these improvements may be carried out directly by the local bodies and the cost recovered from the owners. Where necessary, the property could be acquired or requisitioned.

5. *Night Shelters*: The Scheme also permits the construction of night shelters in cities and towns where the problem of pavement dwellers is acute. These night shelters are meant for providing sleeping accommodation on nominal charges.

VILLAGE HOUSING PROJECTS SCHEME (1957).

The Village Housing Projects Scheme provides for:—

- (a) grant of loan to individuals and their cooperatives for construction and improvement of houses in villages. The amount of loan is restricted to 80 per cent of the cost of construction subject to the maximum of Rs. 3,000 per house. It is repayable at low interest in easy instalments spread over a period of 20 years.
- (b) 100 per cent grant to the State Governments to provide free house-sites to landless agricultural workers.
- (c) 100 per cent grant to States for laying streets and drains to improve environmental conditions in the villages.
- (d) grant to the extent of 50 per cent of the expenditure incurred by the State Governments for maintaining Rural Housing Cells. The function of the Rural Housing Cell is to prepare layout plans for selected villages, evolve suitable designs of houses (after taking into account various factors like climatic conditions, customs and living habits, availability of local building materials, etc.) and provide technical guidance to the prospective builders in the construction of their houses. If the staff, in the Cell is not adequate, the State Governments are authorised to provide additional overseers in the Development Blocks to assist the villagers in the construction of their houses. For this purpose also, the Central Government have agreed to provide 50 per cent of the expenditure as outright grant.

2. The Scheme is implemented by the State Governments and Union Territory Administrations and they are competent to frame rules for the administration of the Scheme.

MIDDLE INCOME GROUP HOUSING SCHEME

The Scheme, introduced in February, 1959, is normally financed from the funds made available by the Life Insurance Corporation except in Union Territories where Plan funds are provided by the Government of India. Financial assistance is available for:—

- (a) grant of loans to individuals (or their cooperatives) in the income-range of Rs. 7,201/- to Rs. 18,000/- per annum for construction of houses.
- (b) construction of houses for sale to eligible persons either on cash down or on hire purchase basis.
- (c) construction of houses for renting them out to eligible persons, provided that not more than 50 per cent of the allocation is utilised for this purpose; and not more than 33-1/3 per cent of such rental houses are allotted to the employees of the Central and State Governments etc.
- (d) grant of loans to eligible individuals for purchase of newly built houses, subject to certain conditions.

2. The maximum amount of loan to be granted for the construction of a house is:—

- (a) 80 per cent of the cost of construction of a house (including the cost of developed land) or Rs. 27,500/- whichever is less, in the case of individuals and their cooperatives, and
- (b) 100 per cent of the cost of construction of a house (including the cost of developed land) subject to a maximum of Rs. 33,000/- in cases where construction is undertaken by Local Bodies or State Governments and their designated agencies in terms of para 3(a) (2) and 3(a) (3) of the Scheme.

3. The total cost of construction of a house should not exceed Rs. 42,000/- (excluding the cost of developed land).

4. The floor area of the house to be built under the Scheme, should not ordinarily be less than 400 square feet and not more than 2000 square feet.

RENTAL HOUSING SCHEME FOR STATE GOVERNMENT EMPLOYEES

This Scheme was introduced in February, 1959 with a view to assisting the State Governments to provide adequate housing accommodation for their own employees. This Scheme, like the Middle

Income Group Housing Scheme, is generally financed from the loans made available by the Life Insurance Corporation.

2. Since the provision of residential accommodation to their employees is entirely the responsibility of the State Governments, no elaborate Scheme has been formulated. The cardinal principles governing this Scheme of assistance, as communicated to the State Governments are as follows:—

- (i) that the State Governments should utilise the funds *exclusively* for construction of new houses for allotment to State Government Employees (and not employees of Local Bodies etc.) on payment of monthly rent in accordance with the normal rules of the State Government;
- (ii) that the ownership of these houses shall continue to vest in the State Governments themselves;
- (iii) that the class or type of accommodation to be constructed shall be determined by the State Governments themselves having regard to actual requirements; and
- (iv) that in formulating the construction programme the State Government would give preference to the requirements of *their low paid employees*.

LAND ACQUISITION AND DEVELOPMENT SCHEME

Scope and Objectives of the Scheme:

The Scheme which was introduced in 1959, envisages grant of loan assistance to States for large scale acquisition and development of urban land for making available developed plots to intending house-builders particularly those in lower income groups. In allocating land developed under the Scheme, the State Governments will give preference to the requirements of those who are eligible for assistance under the Slum Clearance and other Housing Schemes introduced by the Union Ministry of Works and Housing. Land acquired/ developed under the Scheme can also be utilised for provision of community facilities like parks, playgrounds, schools, dispensaries, welfare centres, light service industries, etc. in the colonies to be developed under the Scheme, if these facilities are not already available in the vicinity at an adequate scale.

Being an essentially urban scheme, it is designed to stabilise land prices, rationalise urban development and promote growth of self contained composite colonies in accordance with the overall master plan for an entire area. Where such plans are not ready, the land use should conform to the general ideas of the prospective development in the area.

The State Governments are expected to give out land on leasehold basis, in order to avoid speculation in land.

SCHEME FOR THE PROVISION OF HOUSE-SITES TO LAND-LESS WORKERS IN THE RURAL AREAS

Introduction

(a) The Scheme aims at assisting the State Governments and Administrations of Union Territories to provide house-sites free of cost to families of landless workers in the rural areas who do not already own a house-site or a built up house or a hut on land of their own. With the house-sites so provided the workers will have to build houses/huts thereon with their own resources, and live in peace without being constantly threatened with eviction by the owner of the land on which they have built their houses/huts.

(b) The Scheme is being introduced as a Central Sector Scheme. It will, however, be implemented through respective State Governments and Administrations of Union Territories.

2. Scope of the Scheme.

(a) The State Governments and Administrations of Union Territories are expected to take urgent action to:—

- (i) Enact suitable legislation (where this has not already been done) conferring homestead rights on landless workers in rural areas in respect of sites on which their houses/huts stand at present;
- (ii) Utilise available land owned by the State Government or the Gaon Sabha in villages for providing house sites, free of cost, to families of landless workers in rural areas who are not covered by action under (i) above.

(b) The benefits of this Scheme will be admissible only to such families of landless workers in rural areas as cannot be given house-sites in terms of the preceding sub-paras, provided that:—

- (i) Neither the head of the family, nor any of its other members own any land whatsoever (agricultural or otherwise) in the village/rural areas;
- (ii) the family depends for its livelihood mainly on the unskilled labour of its members (e.g. landless agricultural workers); and
- (iii) the members of the family reside in the village/rural area for the major part of the year.

For the purpose of this Scheme, the term family will be deemed to consist of the worker, his wife and dependent parents/children.

3. *Financial assistance*

(a) The entire cost of acquiring and develop land for providing house-sites to families of landless workers covered by para 2(b) above along with the cost of development of the land mentioned in para 2(a) (ii) above, in accordance with the approved programme, will be met by the Government of India as 100 per cent grant assistance which will be made available to States and Union Territories outside their Plan Ceilings. Any expenditure incurred by the States|Union Territories on appointment of staff etc. necessary for implementing the scheme, will, however, have to be met by them from their own resources.

(b) Financial assistance will be released to States/Union Territories in quarterly instalments against each specific project, depending upon the progress of work and expenditure in the preceding quarter, and work to be undertaken in the next one.

4. *Utilisation of Financial Assistance.*

(a) Financial assistance provided by the Government of India under this scheme can be utilised by the States and Union Territories for acquisition of land in rural areas, and its development along with the development of the land covered by para 2(a) (ii) above for being carved into house sites for allotment, free of cost, to families of land less workers residing in rural areas as are covered by para 2(b) above.

(b) No family will be allotted more than one house-site; and size of a house-site shall not ordinarily exceed 100 Sq. yards.

(c) The cost of development should not exceed Rs. 150/- per site on an average (over a Block).

(d) The term "development" will cover clearing and levelling of land and provision of paved streets and storm water drains on the land proposed to be utilised for giving house sites to eligible families.

(e) In cases where an adequate supply of potable drinking water is not already available, a covered masonry well may also be provided to serve a cluster of, say, 40—50 house sites.

(f) In allotting the house sites, there should be no segregation of families belonging to Scheduled Castes and Scheduled Tribes. Such families should be suitably interspersed along with the other families being allotted house sites in or adjoining village.

(g) The agreements/deeds transferring house-sites to the allottees should *inter alia* contain a specific clause precluding the allottee from selling, mortgaging or otherwise transferring his rights in the plot to a third party.

5. Formulation, Scrutiny and Approval of Programmes

The States should formulate specific projects, taking one Community Development Block at a time, and send them to the Ministry of Works and Housing, along with an explanatory note and relevant details as in the attached proforma, for prior scrutiny and approval. (Provision of house sites to all eligible families in a Block is to be treated as one project). Priority should be given only to those Blocks in the District which have a sizeable concentration of landless rural labourers, particularly of those belonging to the Scheduled Castes and Scheduled Tribes.

6. Progress Reports:

The States/Union Territories shall compile quarterly progress reports in the prescribed proforma, and send them to the Ministry of Works and Housing by the 15th of the month following the quarter to which it relates. Officers of the Ministry of Works and Housing may also visit the various projects to assess the progress and evaluate the programme from time to time.

| Name of State | Proforma |
|---|----------|
| Project for the provision of house-sites to families of landless workers in the rural areas of the Community Development Block (name of the Block) in the District (Name of the District) | |

1. Total number of families of rural workers in the Block.
2. Total number of families, out of those given against item 1 above, who do not own any house site or other land (agricultural or otherwise) and are eligible under the Scheme.
3. No. of Villages in the Block.
- . Village-wise distribution of eligible families given against item 2 above:—

| S. No. | Name of Village | No. of eligible families | Approx. percentage of families belonging to Scheduled Castes/Tribes. |
|--------|-----------------|--------------------------|--|
| (1) | (2) | (3) | (4) |

TOTAL :—

5. Availability of land for house-sites.

| S.No. | Name of Block | Area of land required for eligible families in the Block | Area of land already available (Village-wise) | | | Area of land to be acquired Difference between Col. (3)&(6) (Village-wise) |
|-------|---------------|--|---|------------------|-------|--|
| | | | State Govt. land | Gaon Sabha land. | Total | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |

TOTAL :—

6 Estimated cost acquisition of the land shown in the last column against 5 above

7 Estimated cost of development of land (in the scale indicated in the Scheme)

| (i) State Govt. land. | (ii) Gaon Sabha land. | (iii) Land to be acquired | Total |
|--------------------------------|--------------------------------|------------------------------------|-------|
|--------------------------------|--------------------------------|------------------------------------|-------|

(a) Levelling;

(b) Paved Streets

(c) Drains

(d) Masonry wells
if any.

(e) TOTAL

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|----|--|---|---|---|---|---|
| 8 | Estimated average cost of a developed house-site in the Block on the basis of the above figures (Columns 6 and 7). | | | | | |
| 9 | Amount provided by the State Government for provision of house-sites/houses to families of Scheduled Castes/Tribes in the Block during the 4th Plan period (both under the State Sector as well Centrally sponsored sector). | | | | | |
| 10 | Has the State Government enacted any legislation for conferring homestead rights on families of landless workers in rural areas of the State? If so, please indicates— | | | | | |
| | (a) title and year of enactment | | | | | |
| | (b) the extent to which it has been enforced in the Block. | | | | | |
| | (c) the total amount of compensation, if any, paid (or to be paid), by the State Govt. under this legislation in the Block; | | | | | |
| | (d) is the amount referred to in (c) above, recoverable from the beneficiaries? If so, the average amount per beneficiary should also be indicated. | | | | | |
| 11 | Remarks, if any. | | | | | |

JHUGGI AND JHONPRI REMOVAL SCHEME

According to the present policy, the pre-July, 1960 squatters are considered 'eligible squatters' and the post-July, 1960 squatters are considered 'ineligible squatters'. The eligible squatters are provided with plots of 25 square yards in comparatively central localities and the ineligible squatters are rehabilitated in camping sites on the periphery of the city.

2. Regarding civic amenities in Jhuggi Jhonpri colonies, the present position is that the civic services, such as drinking water supply, drains, community latrines and baths, approach roads and street lighting are provided by the Delhi Development Authority which is in charge of the execution of the scheme, within the prescribed ceiling of Rs. 1200 per plot in colonies of eligible (Pre-July, 1960) squatters and of Rs. 800 per plot on camping sites on the periphery of the city for ineligible (i.e. Post-July, 1960) squatters. These are also maintained by the Delhi Development Authority themselves.

APPENDIX II

(Vide para 3·45 of the Report)

Residential accommodation in the general pool at Bombay, Calcutta, Chandigarh, Faridabad, Calcutta, Madras, Nagpur, and Simla — Position in units on potential demand, availability and percentage of satisfaction.

| Type & Place. | Demand | AVAILABILITY | | | | Shortage | Percentage of satisfaction. |
|-------------------|--------|--------------|--------|---------------|-------|----------|-----------------------------|
| | | Govt. owned | Leased | Requisitioned | Total | | |
| I | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| BOMBAY : | | | | | | | |
| VII; | 28 | .. | 2 | 5 | 7 | 21 | 25 |
| VI . . | 165 | 59 | 10 | 1 | 70 | 95 | 42 |
| V . | 625 | 96 | 10 | 10 | 116 | 509 | 19 |
| IV . . | 1469 | 343 | 7 | 27 | 377 | 1092 | 26 |
| III . | 3100 | 345 | 6 | 16 | 367 | 2733 | 12 |
| II . | 10925 | 1165 | 1 | 3 | 1169 | 9756 | 10 |
| I . . | 7001 | 367 | | 7 | 374 | 6627 | 5 |
| | 23313 | 2375 | 36 | 69 | 2480 | 20833 | 10·63 |
| CALCUTTA : | | | | | | | |
| VII; | 20 | | 2 | .. | 2 | 18 | 10 |
| VI . | 164 | 101 | 9 | 1 | 111 | 53 | 67·88 |
| V . | 836 | 137 | 2 | 1 | 140 | 696 | 16·75 |
| IV . | 1050 | 113 | 9 | 1 | 123 | 927 | 11·75 |
| III . | 2600 | 506 | | | 506 | 2094 | 19·46 |
| II . . | 10000 | 603 | .. | .. | 603 | 9397 | 6 |
| I . | 4663 | 151 | 9 | 19 | 179 | 4484 | 4 |
| | 19333 | 1611 | 31 | 22 | 1664 | 17669 | 8·60 |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------------------|---|------|-----|----|----|-----|------|------|
| CHANDIGARH : | | | | | | | | |
| VII | . | 3 | .. | .. | .. | .. | 3 | .. |
| VI | . | 24 | 2 | .. | .. | 2 | 22 | 8 |
| V | . | 129 | 4 | | .. | 4 | 125 | 3 |
| IV | . | 372 | 24 | .. | .. | 24 | 348 | 6 |
| III | . | 760 | 48 | | .. | 48 | 712 | 6.3 |
| II | . | 3003 | 200 | | | 200 | 2803 | 6.6 |
| I | . | 1895 | 80 | .. | | 80 | 1815 | 4 |
| | | 6186 | 358 | .. | .. | 358 | 5828 | 5.78 |

| | | | | | | | | |
|--------------------|---|------|------|--|--|------|-----|-------|
| FARIDABAD : | | | | | | | | |
| VI | . | 16 | 16 | | | 16 | .. | 100 |
| V | . | 63 | 52 | | | 52 | 11 | 82.54 |
| IV | . | 158 | 140 | | | 140 | 18 | 89 |
| III | . | 239 | 200 | | | 200 | 39 | 84 |
| II | . | 797 | 664 | | | 664 | 133 | 83 |
| I | . | 500 | 330 | | | 330 | 170 | 66 |
| | | 1799 | 1402 | | | 1402 | 370 | 77.94 |

| | | | | | | | | |
|-----------------|---|------|-----|----|----|-----|------|-------|
| MADRAS : | | | | | | | | |
| VII | . | 9 | .. | .. | | .. | 9 | .. |
| VI | . | 53 | 16 | | | 16 | 37 | 30.2 |
| V | . | 217 | 30 | | | 30 | 187 | 13.82 |
| IV | . | 400 | .. | | | .. | 400 | .. |
| III | . | 1113 | 168 | | | 168 | 945 | 15.09 |
| II | . | 2815 | 99 | | | 99 | 2716 | 3.51 |
| I | . | 2045 | 84 | | | 84 | 1961 | 4.41 |
| | | 6652 | 397 | .. | .. | 397 | 6255 | 5.96 |

| I | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-----------------|------|------|----|----|------|-----|-------|
| NAGPUR : | | | | | | | |
| VII | 2 | 3 | .. | .. | 3 | .. | 100 |
| VI | 31 | 15 | .. | .. | 15 | 16 | 48 |
| V | 96 | 28 | .. | .. | 28 | 68 | 29 |
| IV | 160 | 101 | .. | .. | 101 | 59 | 63 |
| III | 149 | 165 | .. | .. | 165 | .. | 100 |
| II | 597 | 618 | .. | .. | 618 | .. | 100 |
| I | 302 | 158 | .. | .. | 158 | 144 | 52 |
| | 1337 | 1088 | .. | .. | 1088 | 287 | 81.37 |

| | | | | | | | |
|----------------|------|-----|----|----|-----|------|-------|
| SIMLA : | | | | | | | |
| VI | 22 | 9 | .. | .. | 9 | 13 | 41 |
| V | 89 | 21 | .. | .. | 21 | 68 | 24 |
| IV | 238 | 33 | .. | .. | 33 | 205 | 14 |
| III | 712 | 54 | .. | .. | 54 | 658 | 8 |
| II | 2753 | 172 | .. | .. | 172 | 2581 | 6 |
| I | 1087 | 304 | .. | .. | 304 | 783 | 28 |
| | 4901 | 593 | .. | .. | 593 | 4308 | 12.10 |

Restricted applications, *i.e.* from officers and staff having priority dates upto certain years only in certain Regional Offices, like, Calcutta and Bombay in various types have been called. As such, total demand has been included in respect of these offices.

APPENDIX III

(Vide para 6.22 of the Report)

Statement showing the progress of sanctioning of projects taken up under the New Central Scheme for environmental improvement of slums.

I. Projects sanctioned and funds released.

| Name of the city | No. of projects | Amount sanctioned (Rs. in lakhs) | Amount released (Rs. in lakhs) |
|-----------------------------|-----------------|-------------------------------------|-----------------------------------|
| 1. Greater Bombay | 31 | 31.00 | 8.00 |
| 2. Delhi (NDMC) | 13 | 11.00 | 3.00 |
| 3. Madras | 35 | 84.00 | 22.00 |
| 4. Hyderabad | 38 | 38.00 | 9.00 |
| 5. Poona | 4 | 1.66 | 0.42 |
| 6. Nagpur | 25 | 96.00 | 24.00 |
| 7. Lucknow | 15 | 17.00 | 4.25 |
| 8. Kanpur | 9 | 147.00 | 36.00 |
| 9. Delhi (DDA) | 15 | 155.00 | 39.00 |
| | <u>185</u> | <u>600.66</u> | <u>144.67</u> |

II. Projects pending approval

| Name of the city | | No. of projects | Estimated cost (Rs. in lakhs) | |
|------------------|--------------------------------|-----------------|----------------------------------|---|
| 1 | 2 | 3 | 4 | 5 |
| 1. | Delhi (DMC) | 33 | 76.72 | |
| 2. | Bombay | | | |
| | (i) Municipal Corporation land | 56 | 176.77 | (To be limited to Rs. 2.50 crores after including Rs. 31 lakhs mentioned in I above.) |
| | (ii) Government land | 62 | 19.37 | |
| | (iii) Private land | 180 | 687.66 | |
| 3. | Madras | 27 | 58.71 | |
| 4. | Hyderabad | 55 | 136.00 | (To be limited to Rs. 1.50 crores after including Rs. 38 lakhs mentioned in I above.) |

| 1 | 2 | 3 | 4 | 5 |
|----|-------------------|------------|----------------|--|
| 5. | Lucknow | 134 | 217.00 | (To be limited to Rs. 1 crores after including Rs. 17 lakhs mentioned in P above.) |
| 6. | Poona | 3 | 3.75 | |
| | | <u>550</u> | <u>1375.98</u> | |

APPENDIX IV

Summary of Recommendations|Conclusions Contained in the Report

| S. No. | Reference to Para No. of the Report | Summary of Recommendation/Conclusion |
|--------|-------------------------------------|---|
| 1 | 2 | 3 |
| 1 | 1.4 | <p>The Committee note that the country today faces a gigantic housing problem which is becoming more and more acute as years roll by. The Committee note that the urban housing shortage was estimated to be 28 lakh units in 1951, 50 lakh units in 1956, 93 lakhs in 1961, 118 lakh units at the end of 1967 and by 1979 there would be an estimated shortage of about 154 lakh units. Similarly in rural areas the overall shortage was estimated at 565 lakh units in 1961, 696 lakh units in 1967, 718 lakhs in 1969 and is expected to be about 800 lakh units by 1979. Against this our rate of new house construction is extremely low, and is only about 3.5 units per one thousand persons in urban areas and 0.44 units for one thousand persons in rural areas. The private sector could roughly build about 2 lakh housing units per year and the Social Housing Schemes of the Ministry of Works and Housing have barely provided 4 lakh housing units during the last three plans.</p> |
| | 1.5 | <p>The Committee feel that the steps taken so far have not been able to make any significant impact on the acute housing shortage. The accent on planned development and industrialisation being experienced by persons in lower income groups during the last two decades has resulted in greater population pressure in urban areas. Between 1961 and 1971, the urban population of the country has increased from 78 million to about 108 million a significant increase of about 50 per cent.</p> |

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1.6 It is evident that mere formulation of a few schemes with financial assistance as in the past would not be able to solve the problem. The problem calls for a reorientation of policies in closely allied fields like physical planning, legislation, taxation and other fiscal and economic matters relating to housing.

1.7 The Committee would like to point out that it is high time that the magnitude and importance of the housing problem in the country is realised in its correct perspective and concerted efforts made at all levels to solve the housing problem in the country. To achieve this object and for accelerating the pace of housing construction in the country a package of practices and programmes will have to be taken up in an integrated and coordinated manner by the Central Government, State Governments and Local Self Governments.

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1.16

The Committee regret that the shortfall in expenditure on social housing schemes in First Five Year Plan was Rs. 12.38 crores out of a total allocation of Rs. 37.50 crores. The position in the second and Third Plans was no better. The Committee note that in the years 1966-69, the progress of housing in the Annual Plans picked up and the funds allocated for housing were fully utilised. For the Fourth Plan Rs. 74.09 crores representing 59.5 per cent of the total allocation had been utilised by 1971-72. While the Committee are glad that the financial allocations are now, by and large, being put to use, they have some apprehension that allocations to States for housing may partly get diverted to other heads of development. The Committee note that in the case of Union Territories where utilisation of funds has been hundred per cent, the funds for housing are not permitted to be diverted to other heads of development. The

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Committee would strongly urge that Government should persuade State Governments to agree that it would not be permissible for the funds earmarked for housing to be diverted for other development purposes.

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1.17

The Committee note that housing has been given low priority in the Five Year Plans, as will be evident from allocation of financial resources for housing in the successive Five Year Plans. It would be recalled that outlay on social housing schemes in the First Plan was Rs. 37.50 crores, representing 1.6 per cent of the public sector outlay. In the Second Plan, it was Rs. 101.14 crores representing 1.8 per cent of the outlay and in the Third Plan, it was only Rs. 179.00 crores, representing 1.6 per cent of the public sector outlay. In the Fourth Plan, the outlay is Rs. 124.53 crores which represents only 1 per cent of the public sector outlay. The Committee note that these outlays have been lesser than that of health and education. The Committee feel that housing should receive a higher priority, for it is well-known that neither health nor education can improve if the persons are denied minimum shelter.

1.18

The Committee cannot but reach the inescapable conclusion that the importance of a basic necessity like housing has not been fully realised. The Committee feel that the lower priority to housing is not conducive to the adequate exploitation of resources for housing purposes from the financial institutions also. The Committee are of the view that housing should be considered as a basic necessity and accorded appropriate priority in our Five Year Plans.

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1.80

The Committee note that even after 25 years of independence and the implementation of several Five Year Plans, the national policy on hous-

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ing has not been spelt out by Government so far. It is only now that a Steering Group of the Planning Commission has been asked to go into the question of spelling out national policy on housing. This is indicative of the fact that Government have not given all these years concerted attention to the important problem of housing.

1.31 The Committee understand that in several countries (both developed and developing) enactments on housing exist. These housing laws lay down at some length the programme for providing minimum shelter, the criteria and guidelines for extending financial assistance and the agencies for execution of the projects.

1.32 The Committee understand that it has not been possible to enact any housing law or the country so far as housing does not find a specific place in any of the three Lists in the Seventh Schedule of the Constitution and as admitted by the representative of the Ministry of Works and Housing in his evidence before the Committee, the position in this behalf is still "hazy". The Committee, however, understand that the Ministry of Works and Housing would like to propose that housing should be included in the Concurrent List in the Seventh Schedule of the Constitution.

1.33 The Committee recommend that Government should formulate the National Housing Policy before the end of the year so as to provide clear and firm guideline for the housing programme in the Fifth Plan and onwards.

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1.34 The Committee have no doubt that in the light of the policy, Government would also take action to bring forward the necessary legislation on housing so as to make clear the role and functions of Central and State Governments and various other financial and executing agencies.

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2.10

The Committee note that although the Private Sector has been assigned a major role in the matter of housing in the Five Year Plans, the investment of the Private Sector in the field of housing has not been of an organised nature and has tended to flow towards construction of owner occupied houses or luxury type housing generally having a promise of attractive returns and that too in major Urban and Metropolitan cities only with the result that as far as objective like housing of the masses or planned regional economic growth are concerned, the contribution of the Private Sector has been negligible. The Committee understand that the Private Sector has not been coming forward for the construction of housing for the common people, as it is not economically rewarding for them. The Committee further note that the saving potential of the common man in the country is so low that he cannot invest sufficient funds for housing and neither the Government nor the financial institutions in the country have floated any major scheme to provide finances for houses construction to the common man at reasonable terms linking shelter with small savings and deferred payment system. The Committee feel that if Government intend to utilise the Private Sector in the field of house construction for the common man they will have to influence the direction of investment by Private Sector in the field of housing by making it attractive or them to invest in low cost housing.

2.11

The Committee recommend that the Government should encourage people to construct their own houses by making land available to them at reasonable cost, by providing easy credit facilities through the medium of financial institutions

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like banks and L.I.C. and by making available building material in time at reasonable price and sufficient quantity.

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2.12

It has been stated before the Committee by knowledgeable sources that for the solution of housing problem the possibility of drawing black-money for housing programme might be explored by the Government and for this purpose Government may permit investments in housing bonds which are specifically earmarked for low cost housing. The Committee are aware that the question of black-money is a complex one and is fraught with serious implications. In view of the urgency of the problem of finding funds for the housing programme in the country, the Committee would like Government to go into the matter in all its aspects.

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2.23

The Committee note that the Life Insurance Corporation is investing about 15 per cent of its investible funds in the housing schemes and together with investment on electricity, rural Water Supply and sewerage schemes, the investment of Life Insurance Corporation's funds to the socially oriented schemes come to about 26 per cent of the investible funds and the investment of Life Insurance Corporation on these schemes is increasing every year. The Committee further note that according to the Working Group on housing for the Fourth Five Year Plan institutions similar to Life Insurance Corporation in developed countries are investing about 40 per cent of their investible funds on housing. Keeping in view the pressing need for funds for housing and the preamble of the Life Insurance Corporation Act that funds would be invested in ventures which further the social advancement of the country, the Committee recommend that the Corporation should increase its investment in housing and allied fields.

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2.24

The Committee note from the information supplied by the Life Insurance Corporation that there has been perceptible increase in the number of applications for grant of loan under various schemes, particularly under 'Property Mortgage' and 'Own Your House' Schemes in 1971-72 as compared to 1970-71. While the Committee welcome this increase of more than hundred per cent, they find that the number of applications disposed of during the period has not correspondingly risen. In fact, the number of applications pending on 31st March, 1972 were more than 50 per cent of the number of applications received. The Committee need hardly stress that such applications should be disposed of most expeditiously in the interest of expediting construction of houses. The Committee note that the Life Insurance Corporation have recently taken some action to prescribe time limits for completion of various stages for processing of applications. The Committee also note that the Life Insurance Corporation have also taken steps to send round teams of officers with a view to educating the staff working in the field in the speedy processing and finalisation of applications. The Committee hope that these instructions would be implemented so as to ensure timely disposal of applications.

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The Committee would also urge that where an application has not been filled properly or some information is lacking, the applicant may be precisely advised in the matter and given guidance where necessary to facilitate completion of the application.

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The Committee would also suggest that senior officers dealing with the loan applications may set aside a specified time during which the applicants whose applications have been pending for disposal beyond the prescribed time limit

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may see them so that the matters are got expedited. In view of the fact that more than 50 per cent of the applications have been shown as outstanding on 31st March, 1972, the Committee would like the headquarters and the zonal officers of the Life Insurance Corporation to keep a special watch on the disposal of pending applications by prescribing suitable returns and issue of suitable instructions after due consideration.

12**2.34**

The Committee note that banks are at present not making any significant contribution in financing of housing programmes in the country and the main reason for this is the absence of refinancing and guarantee facilities for the loans sanctioned for housing. The Committee further, note that the Banking Commission which had gone into the question of housing finance by banks in their Report submitted in 1972 have recommended in respect of urban cooperative banks that lending for long-term purposes such as house construction should be allowed subject to a ceiling that may be specified by the Reserve Bank of India and that an apex financing institution to attract savings linked to the provision for construction or purchase of house be set up. The Commission has further recommended that either the Housing and Urban Development Corporation should play the role of this apex housing organisation in which case it should shed its non-financial functions or alternatively an apex institution should be sponsored by the Reserve Bank. The Commission has further recommended that Commercial banks may give short and medium-term credit to the builders in order to enable them to undertake mass housing construction programme and to the extent administrative and personnel resources permit, commercial banks may also give credit to individuals desiring to own or construct houses.

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2.35

The Committee note that the recommendations of the Banking Commission which were given in 1972 are still under the consideration of Government in consultation with the Reserve Bank of India. The Committee cannot but strongly stress the need for an early decision in the matter so that loans are available to working persons as in other countries to finance purchase|construction of a house during his working career rather than invest his life long savings to construct a house near about the time of his retirement. The Committee feel that in creating a suitable agency for making available for finances, it should be ensured that these become available to persons who are not covered by other schemes. The Committee feel that co-operative banks and other nationalised banks, who have now opened branches in most industrial and agricultural areas could play a significant role in meeting the genuine requirements of working persons who are desirous of constructing a house and pay for it in easy instalments.

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2.39

The Committee are constrained to learn that the investment of Employees' Provident Fund money in the bonds floated by Housing Boards has decreased to Rs. 1,11,12,000 upto December, 1970 as compared to Rs. 3,78,80,000 in 1969-70. The Committee have not been furnished the information for 1971-72. If the above is an indication of the trend, the Committee would like Government urgently to review the position so as to persuade the authorities concerned with the Employees' Provident Fund to step up their investments in purchase of bonds issued by Housing Boards, particularly in respect of schemes which would be providing housing for working class. The Committee would like to be informed of the action taken in the matter.

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2.44

The Committee note that the World Bank have shown interest in recent months in financing housing projects and that one of the Appraisal Team of the World Bank has visited Calcutta in that connection. The Committee have no doubt that Government would follow up the matter with the World Bank authorities so as to secure the necessary financial assistance at the earliest. This could well serve as a model for securing similar assistance for projects to relieve the acute housing shortage in other metropolitan cities.

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2.45

Another field, in which the United Nations help can be taken, relates to modernization of building industry with a view to reduce construction cost. It is understood that the United Nations Development Programme envisages assistance equivalent to twenty per cent of the estimated cost. Since lack of availability of building material constitutes one main constraint in stepping up construction of houses. The Committee have no doubt that Government would examine in the context of expending in modernising building industry the extent of help which could be taken with advantage in the United Nations Development Programme.

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2.57

The Committee note that Housing and Urban Development Corporation Ltd., was set up by the Government in 1970 to coordinate the activities of the Government in the field of financing housing and urban development programmes in the country. The Committee also note that the activities of the Corporation are quite broad based and the Corporation is expected to finance and undertake the housing and urban development programmes and setting up of building material industries and setting up of new or satellite towns etc.

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- 2.58** The Committee note that HUDCO has so far been able to assist in the setting up of a few building material industries. The Committee cannot but strongly stress the need for a thorough investigation of the problem and drawing up and implementation of a well-coordinated programme so as to bring up the building material industry on a decentralised basis all over the country to meet effectively the requirements locally and save avoidable transport cost.
- 17** **2.59** The Committee are surprised to note that while there is an all-round complaint of non-availability of resources for construction of houses by the State Government etc., the representative of the HUDCO has stated that the resources available with the Corporation are not being used and there are some States who have not submitted any schemes to the Corporation.
- 2.60** The Committee would like Government to review the position at the earliest and take necessary action in coordination with HUDCO and State Governments and State agencies to ensure that the funds available for housing are distributed to the States in accordance with their requirements and the overall priorities determined in that behalf.
- 18** **2.61** The Committee would like the HUDCO to make special efforts to undertake housing efforts in the backward areas.
- 19** **2.62** The Committee note that one of the functions of the HUDCO is to finance and undertake the setting up of the building material industries. The Committee have, in a separate chapter, pointed out the extent to which the shortage of building material has adversely affected the construction of houses in the country.
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| 20. | 2.63 | As regards promoting use of alternative material in place of scarce material like cement and steel, the Committee note that a number of other Government agencies are already engaged in this work namely National Building Organisation, New Delhi, Central Building Research Institute, Roorkee, C.S.I.R. etc. The Committee have no doubt that HUDCO would ensure that maximum advantage is taken of the research already carried out and the knowledge about proven alternative materials which are cheaper reaches the construction agencies in the field. |
| 21. | 2.64 | The Committee note that HUDCO have decided to go in for construction of houses in Calcutta. The Committee would like to point out that N.B.C.C. is already charged with the responsibility of undertaking the construction. The Committee would like Government to review matter at the highest level to avoid any duplication of effort in the field. |
| 22 | 3.8 | The Committee note that availability of land for house construction is the first pre-requisite for any housing programme and that due to the exorbitant rise in price of land particularly in urban areas and metropolitan cities, it is not possible for a common man to purchase land to construct a house. Although the question of evolving an urban land policy is receiving the attention of Government, the Committee regret that no specific policy has been laid down so far. The Committee would urge Government to lay down early land policy which should be directed towards making land of suitable size available to the common man at a reasonable price. |
| 23. | 3.9 | The Committee note that the present procedure of land acquisition is very slow, tardy and involves a lot of litigation and this is time-consuming with the result that a number of housing |

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programmes are delayed. The Committee would like that early steps be taken to make the procedure expeditious and more worklike.

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3.17

The Committee note that the scheme for Provision of House-Sites to Landless workers in Rural Areas was introduced in October, 1971 as a Central Sector Scheme and under the scheme the entire cost of acquiring and developing land for providing house-sites will be met by the Government of India as 100 per cent grant assistance. The Committee further note that 13 States have already submitted their schemes to the Central Government and projects in respect of 1167 Development Blocks/Panchayats of eight State Governments involving Central assistance of Rs. 10.75 crores for provision of 3,08,137 house-sites and other schemes have already been approved and the remaining projects are under the consideration of Government. The Committee feel that the Scheme is a right step in the direction of providing shelter to the economically weaker sections of society. The Committee would like the scheme to gain momentum at the earliest. The Committee would further like the State Governments to link the Scheme of providing house-sites with a programme of construction of low-cost housing on those sites as has been done by the Kerala Government out of their resources, public donations etc. The Committee recommend that while allotting land-sites under the Scheme, preference should be given to Harijans and Advasis.

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3.18

The Committee would like to point out that the last Conference of Housing Ministers' held in July, 1972 has made a number of recommendations in respect of the scheme, viz., that the legislation on land reforms and conferment of homestead rights to landless workers who are in occupation of land in the rural areas as house sites should be tied up with the scheme

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for provision of Housing sites to landless workers in rural areas, for construction of houses in rural areas emphasis should be laid on the use of locally available material, to reduce the cost of acquisition of land under the scheme, Land Acquisition Acts of Central and State Governments should be amended taking advantages of the 25th Amendment of the Constitution and that each State Government should be given a broad indication of funds that are likely to be made available to it during the current year and the next year of the scheme. The Committee recommend that action on these recommendations should be taken early and the Committee kept informed of the same.

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3.19

The Committee are surprised to note that some States have not yet submitted any project under the scheme so far. As 100 per cent financial assistance for acquiring and development of land is being provided by the Central Government, the Committee fail to understand the reasons for reluctance on the part of the State Governments in submitting the scheme. The Committee would like the Government of India to impress upon the State Governments who have not yet submitted any scheme so far about the urgent need for doing so expeditiously. The Committee note that the necessary legislation and other administrative measures for the scheme are to be taken by the State Governments. The Committee hope that State Governments would take expeditious action for acquisition and development of land involved in the scheme.

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3.32

The Committee are distressed to note that although 83 per cent of India's population live in villages and about 73 per cent of the rural population reside in unsatisfactory "kutchha" struc-

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tures, the problem of rural housing has not received close attention of the Government. The Committee note that although the shortage of houses in rural areas has been estimated to be about 18.6 million units, only 80,111 houses under the village Housing Projects Scheme have been sanctioned since 1957 and only 50,525 houses i.e., about 2,000 houses per year on an average have been constructed. The Committee regret to note that although the Estimates Committee (1967-68) had drawn attention to the unsatisfactory performance of the Village Housing Schemes during the Three Five Year Plans and the apathy of the State Governments towards the scheme, the position has not shown any improvement and even the representative of the Government of India have admitted that in the matter of rural housing, the States had not paid that much attention that was needed and the funds were being diverted for other purposes.

3.33.

The Committee are further distressed to note that the first draft outline of the Fourth Five Year Plan had made a provision of Rs. 25 crores for rural housing which was subsequently reduced to Rs. 11 crores and actually the States have made so far a provision of Rs. 5.16 crores for the village Housing Scheme. This speaks of the low priority accorded by the Government to the problem of rural housing in actual practice. The Committee urge that Government should realise the urgent need of improving housing stocks in the rural areas and for the purpose gear-up the implementation machinery and make necessary planning in this direction. The Government should also attach proper importance to the need for environmental improvement in the rural areas, and should take necessary steps for improving water supply, sanitation, sewerage etc., and sufficient funds for this purpose should be provided. Moreover the funds provided for

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rural housing should be earmarked so that the same could not be diverted for other purposes.

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3.34

The Committee note that although the Estimates Committee (1967-68) had pointed out that the scheme has suffered from organisational weakness at the field level, no effective steps have been taken to remedy the situation and only recently the State of Gujarat alone have thought fit to set up a Rural Housing Board. The Committee recommend that immediate steps should be taken to tone up the field organisation to implement the Village Housing Scheme and the remaining States should be persuaded to set up at an early date Rural Housing Boards or similar other suitable organisation in their States to give an impetus to the programme in the field.

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3.39

The Committee note that the Ministry of Works and Housing has introduced 10 Social Housing Schemes to meet the housing needs of the economically weaker sections of the society, industrial workers and low income group of people etc. The Committee also note that since the inception of the scheme about 8 lakh houses have been sanctioned out of which about 6 lakh houses have been constructed. The Committee feel that looking at the needs of economically weaker sections of the society and the magnitude of the housing problem, programmes made under these schemes so far are far from adequate and much more vigorous and concerted efforts are needed to meet the problem.

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The Committee note that even in the case of middle income group housing scheme which was introduced as early as 1959, only 34520 houses have been sanctioned for construction throughout the country out of which only 25730 houses have actually been constructed so far. Similarly

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in the case of Integrated Housing Scheme for industrial workers and economically weaker sections of society which was introduced in 1952, only 2,29,992 houses have been sanctioned for construction out of which only 1,76,275 have actually been constructed. The position is worst in the case of Subsidised Housing Scheme for plantation workers which was introduced in 1956 and in which only 6,953 houses have so far been sanctioned for construction and only 1,747 that is nearly 25 per cent have only been constructed so far. The Committee are distressed to note that the physical results achieved in respect of the Social Housing Schemes are very unsatisfactory. The Committee feel that the State Governments have not taken sufficient steps to set up implementation machinery to implement the various housing schemes and have not given sufficient priority to these schemes. The Committee urge that the implementation machinery at the field level needs to be geared up and strengthened and vigorous steps are needed to be taken to implement these housing schemes.

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3.41

The Committee have, however, noted that the programmes under the schemes during the Fourth Five Year Plan has been better and that in the Fifth Five Year Plan much larger scheme and programme for social housing scheme is expected to be taken up. The Committee would like to emphasis that the success of these schemes will largely depend upon the setting up properly coordinate implementation machinery and provision of sufficient funds and priority by the State Governments. The Committee hope that the schemes will be given the proper priority and importance that it deserves.

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3.46

The Committee regret to note that the position in respect of provision of houses for the Central Government employees in Delhi is very unsatisfactory and as on 1st January, 1972 only 42 per cent of the employees have been allotted houses. The Committee have noted that there are at present 7,535 officers to Type I to IV who have put in more than 18 years of service and are still waiting for allotment and that the position is worst in the case of low-paid employees viz., Type II where the percentage of satisfaction is only 26.02 per cent. The Committee are unhappy to find that most of these employees particularly low-paid employees are living in unhygienic and congested areas paying exorbitant rents and have to come to their place of duty from long distances which has been affecting their efficiency adversely. The Committee urge that Government should pay immediate attention to this problem and make concerted efforts to improve the position.

3.47

The Committee have been apprised by the representative of the Ministry of Works and Housing during evidence that Government propose to provide houses to 75 per cent of its employees by the end of the Fifth Five Year Plan and have prepared a plan for Rs. 84 crores in this regard. The Committee hope that this plan would be taken in hand in right earnest and the target of 75 per cent achieved early at least in respect of lower types.

3.48

The Committee would, however, like to point out that even the completion of these quarters would depend upon a number of factors like availability of funds, materials, sites, approval of plans by the Local Bodies and provision of bulk services by local bodies. The Committee would like Government to take coordinated action and do some perspective planning from now and to

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take necessary action for the completion of these quarters in time and provision of these bulk facilities by local bodies simultaneously with the completion of the quarters.

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3.49.

The Committee further note that the position in respect of housing for Central Government employees in some of the Metropolitan cities like Bombay, Calcutta and Madras is still worse and that in the city of Bombay out 23313 Central Government employees only 2480 that is 10.63 per cent have been provided accommodation. In the city of Calcutta out of 19333 employees only 1664 that is 8.06 per cent have been provided accommodation and in the case of Madras out of 6652 employees only 397 that is 5.96 per cent have been provided accommodation. The Committee feel that housing conditions in all these Metropolitan cities is very acute and the Central Government employees particularly low-paid employees are not in a position to pay high rents being charged in these cities, Government should, therefore, take immediate steps to construct accommodation for the Central Government employees in these cities also on a priority basis and make concerted efforts to increase the percentage of satisfaction atleast equal to that of Delhi. |

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3.53

The Committee note that the various Public Undertakings have been constructing Townships for their employees and at present about 53 per cent of the employees working in the Public Undertakings have been provided houses. In this connection, the Committee would like to point out that the Committee on Public Undertakings of the Third Lok Sabha in their Eighth Report on "Townships and Factory buildings of Public Undertakings" had made a number of recommendations in respect of construction of houses

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and Townships by the Public Undertakings viz. need to observe the utmost economy in expenditure, to avoid the construction of bungalows etc., and to maintain continuous consultation with the National Buildings Organisation etc., and the Central Building Research Institute regarding construction of houses for their employees. The Committee had also emphasised the need for availing of the assistance under the subsidised Housing Schemes by the Public Undertakings. The Committee hope that all these recommendations would be kept in mind by the various Public Enterprises while constructing houses and Townships for their employees.

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4.15

The Committee note that in view of the urgent need of providing housing to large number of people in the country and low economic level of the people with the resultant low paying capacity, the problem of low cost housing has come to occupy an important place. The Committee note that according to a Survey conducted by the Operations Research Group Baroda relating to the housing conditions and paying capacity of the masses in Gujarat, standard housing of a value of Rs. 6,000/- is beyond the means of 51.6 per cent of the families in cities of a population of 1 lakh or more as against 62.3 per cent in smaller cities and 80.3 per cent in villages. The Committee feel that conditions in other parts of the country are in no way different and ways and means would have to be found to construct houses at cheap cost if any dent is to be made in the housing problem in the Country.

4.18

The Committee note that although a number of research institutions in the country in the field of construction like Central Building Research Institute, Roorkee, Central Building Organisation, C.S.I.R. etc., have evolved new processes and techniques in the field of construction

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resulting in saving in the use of material and resultant costs, no concrete measures have yet been taken to popularise these processes or methods with the result that the agencies responsible for large scale construction like C.P.W.D., M.E.S. etc., have failed to utilise these processes in the field. The Committee have before them the example of fly ash which has been found quite a good substitute for cement to the extent of 15 to 20 per cent, but still no concrete steps have been taken to popularise the use of fly ash in construction of buildings by C.P.W.D. etc. It has been admitted by the representative of the Government in evidence that as far as Central Construction agencies are concerned, they have been a little slow in adopting many of the recommendations of the N.B.O. The Committee are surprised that at a time when construction of houses in the country is suffering because of non-availability of building material like cement, bricks etc., and consequent high price of the building material, no serious efforts are being made to utilise the substitute material in the construction of houses to effect reduction in building cost and to augment the implementation of the housing programme.

4.17

The Committee recommend that serious efforts should be made by the research institutions etc., to evolve new processes/methods etc., to effect economy in the use of building material etc., and find cheap substitutes for cement, bricks, timber etc., taking into consideration the local conditions. Once the processes/methods are evolved by these research institutions, these should be passed on to National Building Organisation to test its effectiveness and proper use in an urgent manner. Once these are found effective, these should be passed on to construction organisations like C.P.W.D., N.B.C.C., M.E.S., etc., for use in

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the field. The Committee recommend that all these organisations should function in complete co-ordination and mutual understanding so that maximum benefits could be derived from the research done in the field of economy in construction costs.

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4.18

The Committee note that the Government of Gujarat have taken some steps to evolve new designs of low cost housing at a cost of Rs. 3,500/- and even less and for this purpose the Government of Gujarat organised a workshop on low-cost housing and some designs are already under their consideration. The Government of Kerala have also taken up construction of houses at a cost of Rs. 2,000/- each on the plots of land allotted to the landless labourers under the scheme of Provision of Sites to Landless Workers. The Committee feel that these efforts are steps in the right direction and the Government of India should take effective measures to popularise these schemes in the remaining States also.

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4.19

The Committee note with great regret that no concerted effort has been made by Central and State Governments building organisations or research institutes to evolve a design which would be most suited to the requirements of persons coming from the weaker sections of the society. As the result of survey conducted in Gujarat has shown, more than 50 per cent of the persons living in bigger cities cannot afford to have a house costing Rs. 6,000 or more. The position in small cities is still worse. The Committee feel that if houses for millions have to become a reality, the first and foremost task is to evolve a realistic design which would make it within the reach of these millions. There is need for intensifying research in building techniques in the use of alternative cheaper material, the adaptation of

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local materials and above all, in evolving a design which would be a realistic one and within the reach of these millions in the weaker sections of our society. The Committee see no reason why the initiative taken by Gujarat and Kerala should not have been initiated at least a decade earlier so as to evolve by now a proven method for alleviating the over-congested condition of living and unchecked growth of slums in larger cities of the country. The Committee would like Government to review the position at the highest level and take effective measures to bring about close coordination and integration in the activities of the Central and State organisations, building agencies and research institutions so as to evolve the most economic, workable and realistic design by providing low cost housing for the masses. The Committee should not be understood as advocating a monotonous standardisation in housing. They want only to underline that the layout, the design and the construction should be such as to within the reach of the masses and that the Government help and assistance should be so organised as to be available to the weaker sections of society.

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The Committee note that the National Buildings Organisation was set up in 1954 to ensure the best use of national resources and to co-ordinate the efforts and findings of agencies engaged in technical activities and the Organisation is also expected to provide information and assistance to Government Organisations and agencies and to serve as a clearing house of all technical information and results of research. The Committee also note that to achieve these objectives the Organisation has arranged a number of Seminars, Conferences, lectures, training courses and has brought out a number of publications, etc. As the construction of houses is still being

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carried on the conventional lines and old designs with the use of age old material and techniques, the Committee feel that the National Buildings Organisation has not been able to discharge its functions effectively.

4.31

The Committee note that the working of the National Building Organisation has been the subject of a number of reviews by expert bodies and that at present its functioning is also being examined by the Standing Committee of the Organisation. The Committee would like to stress that the success of the National Building Organisation should largely be judged in terms of the subjects with special reference to the breakthrough it has made in the field of substitution of materials by cheaper ones and by evolving designs for low cost housing, particularly for weaker sections of society. The Committee would also like that the National Building Organisation should pick out problems which are related to live issues faced in the field particularly in the matter of construction of houses for the masses and that care should be taken to see that the research carried out does not result in avoidable overlap and duplication.

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4.32

The Committee are not convinced that merely because the Housing Ministers have been meeting every year or alterate year, the National Building Council which is the Governing Body for the National Building Organisation should not have met. The Committee feel that the responsibilities in this behalf cannot be left solely to a Standing Committee which consists mostly of officials. The Committee feel that if the National Building Organisation is to function in a realistic matter to tackle the problems which are experienced in the field by States, it is of the utmost importance that its functioning should be reviewed at least once a year by the Governing

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Council, comprising of representatives of States so that its achievements can be critically examined with reference to the extension work done in the field and the future programme suitably modified to pay greater attention to problems faced in the field.

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4.33

The Committee note that the National Buildings Organisation has set up Rural Wings whose main functions are to undertake research in the use of local materials, evolve new designs of rural housing for the particular region, construction of improved demonstration houses and to conduct training courses in rural housing for overseers and B.D.Os. engaged in rural housing work and upto now, the Rural Housing Wings have built approximately 78 demonstration rural houses in various parts of the country. The Committee feel that rural housing is a field where much more research in the matter of use of local materials and new designs of houses in different regions has to be done and the efforts made so far have not been able to make any appreciable impact on the problem.

4.34

The Committee regret that the National Building Organisation has not paid serious attention to the problem of rural housing which was made one of its responsibilities right from its inception in 1958. If the National Building Organisation had made concerted efforts on its own and in conjunction with other research institutes, architectural and building organisations, we would have by now evolved, model rural houses suited to the requirements of different areas in States. This remains largely unrealised as would be evident from the fact that so far, the National Building Organisation in 14 years of its existence has developed only 78 houses in rural areas. As pointed out elsewhere in the

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Report, there is need for making a concerted and intensive effort to evolve a realistic design which would be within the reach of the millions and which would use materials readily and easily available and would serve best the essential needs of the occupants. The Committee in particular would like the National Building Organisation to pay special attention to the new bold experiments which are being carried out in Gujarat and Kerala to evolve such designs and construct houses for masses so that these could be improved upon and adopted for extensive implementation in other States.

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4.39

The Committee note experimental housing schemes have been introduced by the Government of India to undertake field trials of new ideas arising out of research work in the field of construction of houses and to observe under actual living conditions, the behaviour of structure so constructed and under the scheme 21 construction projects have been sanctioned and 12 projects have been completed. The Committee further note that it has been claimed by Government that considerable economy in construction could be achieved by adoption of these new materials and techniques on a large scale. The Committee feel that in view of the urgent need for reduction in the cost of houses and economy in the use of scarce building materials, utmost importance should be given to popularise the results of such new materials and techniques of construction. The Committee recommend that after these techniques are found useful by the Assessment Committee, follow up action should be taken by the National Buildings Organisation to convey them to the mass construction agencies like C.P.W.D., State Housing Boards, M.E.S. etc., and impress upon them the desirability of adopting these techniques on a wide scale.

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| 41 | 4.40 | <p>The Committee need hardly point out that the whole purpose underlying the concept of demonstration houses is that these should act as an incentive to others to emulate their style and mode of construction. The efficacy of the demonstration houses is to be judged with reference to this parameter. The Committee would like a review at the highest level about the impact which has been made so far by demonstration houses in order to locate the deficiencies from which it has been suffering so that remedial measures can be taken in the light thereof to improve the design, the mode of construction and the location of these demonstration houses so as to have the maximum impact.</p> |
| 42 | 4.43 | <p>The Committee note that the Hindustan Housing Factory has done production of pre-fabricated houses on an experimental basis but because of incomplete equipment; the factory has not been able to make much contribution in the field of pre-fabricated housing and has been concentrating on the manufacture of electric poles and railway sleepers.</p> <p>The Committee need hardly point out that all over the world impressive progress has been made in the method of manufacturing components to accelerate the pace of construction of houses, particularly those required for industrial labour and for weaker sections of society. The Committee are disappointed that though we have the Hindustan Housing Factory in the Public Sector, it should have failed to avail of the breakthrough which has been achieved in manufacturing components for housing on a mass scale and instead should have diversified its activities to sleeper manufacture and electric pole manufacture on the plea of lack of some equipment for undertaking manufacture of housing parts. The Committee would like Government to review the position urgently and take action to see that the Factory concentrates on its main objective of</p> |

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manufacturing components for housing. The Committee are glad that the Government are having United Nations assistance for modernising this factory. The Committee would like Government to avail of this opportunity to rationalise the working of this Factory so as to facilitate the manufacture of components and parts required for housing on a scale in keeping with the requirements for mass housing. The Committee need hardly point out that if these components and parts are to find acceptance, they should be evolved with reference to Indian conditions and should be of guaranteed quality accompanied by field service and be priced most competitively. It is only then that the Factory can expect to win orders on a sustained basis and develop its activities on the right lines.

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4.43

The Committee feel that as transport of components for houses is a cumbersome and expensive proposition, there is need for developing such construction housing factories for manufacture of components in other parts of the country. This may however, be done after the manufacturing activities of the existing Housing Factory have been established on successful lines.

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5.13

The Committee note that availability of building materials in adequate quantities is a necessary pre-requisite for the success of any housing programme in the country. The Committee further note that there has been an acute shortage of building material like bricks, cement, timber, steel etc., in the country. Even the Housing Boards have been facing considerable difficulties in completing their housing schemes because of shortage of building materials. The common man has to run from pillar to post to obtain these materials and has to purchase the same at exorbitant prices. It has been estimated that in spite of the various steps taken in

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the matter, the shortage of bricks will be to the extent of 51,000 millions and that of cement to the extent of 4.4 million tons in the Fourth Plan period. The Committee would like to urge the Government to pay immediate attention to the need for increased production of these building materials in adequate quantities and to take steps to set up new units and expand and modernise the existing units. The Committee need hardly point out that the greatest constraint on construction programme is constituted by availability of material. If the construction programme for housing has to make a marked progress, it is imperative that essential materials like bricks, cement, iron and steel should become available in adequate quantities so as not to hold back and impede the programme for construction of houses on a large scale.

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5.14

The Committee note that considerable savings can be effected in the consumption of the building material by the use of substitutes e.g. stone can be used in place of bricks in some States where it is available in plenty, fly ash can be used with cement thus effecting a saving of 15 to 20 per cent; use of steel can be reduced and some of the Housing Boards have effected economy in the use of these materials in their housing programmes. The Committee in their Chapter on Low Cost Housing have already commented how the construction agencies have been slow in the use of these substitute materials in their construction programmes. The Committee would like to reiterate that in view of allround shortage of building material, the use of substitute material on a large scale should be given utmost priority.

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5.15

The Committee note that the National Buildings Organisation is undertaking for every five year plan, the assessment of building material

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required for execution of all construction programmes and the shortfalls are also being worked out and passed on to Planning Commission. The Organisation has also worked at the requirements of building materials till 1990 according to which the requirement of cement and steel in the country will increase to 75.74 million tonnes and 20.60 million tonnes in 1990 from 17.40 million tonnes and 4.60 million tonnes respectively in 1975. The Committee feel that unless steps are taken in right earnest from now on to raise the production of these materials, the country will be facing an acute shortage of these building materials in the years to come affecting the building programme adversely. The Committee hope that the matter will receive the attention it deserves and a well co-ordinated and time bound programme for increasing the production of these materials would be drawn up and taken in hand.

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5.16

The Committee note that there has been a considerable increase in the cost of building material in the country and in respect of all building materials, the index of prices has increased by 88.4 per cent. The Committee have reason to believe that in actual practice, the common man has to pay even much more in the market to purchase these items because any delay in the supply of these materials disrupts his construction programme thus resulting in avoidable increase in cost of construction. The Committee are of the view that supply of building material at cheap and reasonable prices is an essential requisite if the individuals are to be encouraged to construct their own houses. The Committee note that the steps taken so far have not succeeded in keeping the prices of these materials under check. While the Committee agree that the rise in the price of these materials may be, to some extent, due to the general

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price rise in the economy, the Committee feel that the shortage of building material has also contributed to a great extent to this rise in prices. The Committee would, therefore, urge Government to take more concrete steps to keep the price of building material within reach of the common man and the position should be reviewed every year to see what particular steps can be taken to check the prices.

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5.17

The Committee have been informed by the Government of Gujarat that the Housing Board in the State has undertaken the direct procurement and manufacture of building materials to ensure cheaper and durable quality materials for use in housing construction and the Board is planning to instal semi-mechanised brick plants and stone crushing plants etc. and the HUDCO has agreed to give loans for the project. The Committee feel that these are steps in the direction for ensuring smooth and regular supply of building materials for execution of housing programmes and other Housing Boards should also be persuaded to take similar steps in the matter.

5.18

The Committee note the measures taken by Delhi Development Authority and Gujarat Housing Board to meet their requirements of material. The Committee recommend that the Government should consider whether these authorities may not extend their activities further so as at least to make available raw materials at competitive rates to persons coming from weaker sections of the society who are constructing houses in the area served by them. The Committee need hardly point out that such extension of activity is bound to have a sobering effect on the market and may result in effectively checking the spiralling up of the prices of construction materials which have been acting as a great constraint on the construction of houses.

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| 49 | 5.27 | <p>The Committee note that the brick and tile industry has come to play an important role in the construction programme of the country and that according to an assessment made by National Buildings Organisation, there would be a shortage of about 51,000 million bricks in the country during the Fourth Five Year Plan period. The Committee further note that the National Buildings Organisation has suggested the establishment of 50 mechanised brick kilns, ten sand lime brick plants and five cellular brick plants to meet the shortage. The Committee recommend that steps to set up these units as suggested by National Buildings Organisation should be taken early to meet the acute shortage of bricks in the country.</p> |
| 50 | 5.28 | <p>The Committee note that although clay technology has undergone a great change all the world over and new machines have been introduced for production of bricks, in India the brick manufacture is still being carried on conventional lines by manual labour and out-moded processes of manufacture resulting in great waste of time and material with consequent increase in cost. The Committee recommend that research institutions in the country should evolve a semi-mechanised method of brick manufacture in the country and after field trial, steps should be taken to popularise the use of these methods. Government should also take initiative to set up semi-mechanised brick kilns in the country. In this connection, the Committee note that the Delhi Development Authority have already established a brick kiln for their use and they are getting bricks at a control rate of Rs. 54/- per thousand. The Committee recommend that Housing Boards in States should be persuaded to take similar steps to meet the shortage of bricks.</p> |

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| 51 | 5.29 | <p>The Committee note that although bricks kiln industry occupy an important place in the construction industry and has provided employment to a large number of people, the industry has not been recognised as a small scale industry. The Committee have been informed that the question of recognising the brick industry as a Small Scale Industry is under the consideration of the Development Commissioner, Small Scale Industries. The Committee recommend that an early decision should be taken in the matter and the industry recognised as a Small Scale Industry.</p> |
| 52 | 5.30 | <p>The Committee note that the brick industry is suffering adversely because of non-availability of coal as sufficient wagons for transportation of coal are not being provided by the Railways. The Committee have been informed by the representative of the Ministry of Works and Housing that the issue had been taken up with the Railway Ministry and adequate quantities of rakes for movement of coal had been assured. The Committee recommend that Railways should accord higher priority to the allotment of wagons for movement of coal for the brick industry.</p> |
| | 5.31 | <p>The Committee are unable to understand why brick industry which is labour intensive and is capable of generating large employment should not have received urgent attention of Government with a view to develop it on sound modern lines. The Committee suggest that the Housing Boards and HUDCO should take a lead in encouraging modernisation of existing kilns and in establishing new ones, but it should be made sure that the end product becomes available to the genuine builders of houses at most competitive rates. The Committee feel that pilot brick kilns, using semi-automatic and automatic pro-</p> |

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cesses should be developed so that after field trials, those act as models for development in different parts of the country. The Committee would also suggest that standard specifications for bricks should be developed so as to ensure quality.

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5.32

Another aspect which the Committee would like to refer relates to the exorbitant transport charges which are charged by kiln owners to increase their margin of profit at the expense of the person constructing the house. The Committee see no reason why guidelines and criteria cannot be laid down to determine these transport charges on rational and realistic basis to obviate any malpractice.

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6.15

The Committee note that although the entire country is facing housing problem, the condition of housing in metropolitan cities like Calcutta, Bombay and Delhi is particularly acute and due to the large scale migration of rural population to these cities in search of employment opportunities, the position is increasingly becoming alarming. They are distressed to note that even according to conservative estimate about 27 lakhs of people (15 lakhs in Calcutta and 12 lakhs in Bombay) are living in slums in two cities only in most unhygienic and insanitary conditions and in the city of Delhi 70 per cent of the population are living without even basic amenities of life. The bustees of Calcutta, 'Chawls' of Bombay and 'Kuchas' and 'Jhuggis' and 'Jhompris' of Delhi are living examples of human degradation and are denied even basic facilities like sanitation, drinking water, drainage etc.

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The Committee have been particularly concerned with the problem of housing of families belonging to lower income group and weaker sections of society in these metropolitan and

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urban areas. According to some experts, the discontent which has been prevailing in the eastern sector, particularly in Calcutta, is due not a little to the existence of slums and bastees which deny even the minimum basic amenities and facilities to human beings living there. The Committee would, therefore, impress upon Government to pay special attention to the problem of having a crash programme to tackle the problem of providing satisfactory accommodation to families in lower income groups and the weaker sections of society with facilities like drinking water, drainage, easy transport, electricity etc. It is of the utmost importance that planning in this behalf should be done most carefully so that the scheme commands ready acceptance by all concerned and achieve the purpose of removing slums. The Committee feel that it should be possible for Government to draw up guidelines and help in preparation of detailed plans for meeting squarely this challenging problem.

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6.17

The Committee note that a number of housing schemes with the intention of increasing housing units are in operation in various cities in the States. These housing schemes are however not related to work centres. Moreover facilities like education, sanitation, provision of electricity etc. and the importance facility of transport related to work centres are not available, with the result that in a number of areas even when the construction of houses has been completed, the same have remained vacant for a considerable period in the absence of these facilities. The Committee have before them the example of the construction of Government quarters in Rama Krishna Puram in Delhi where these quarters remained vacant for a considerable period of time because simultaneous action to provide

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water, electricity, sanitation etc., was not taken resulting in considerable loss to public exchequer and denial of facility of accommodation to eligible persons even after the construction had been completed. The Committee feel that the sectoral coordination to provide simultaneous facilities in any newly developed colony is the essence of the matter and should be given utmost attention at the time of formulation and execution of any housing scheme.

6.18

The Committee recommend that whenever any large scale housing scheme is taken up for execution a high powered authority should be designated and entrusted with the task of inter-sectoral planning which should oversee all the various activities connected with the provision of infrastructure facilities and maintain co-ordination between the various agencies. In this connection, the Committee have noted that the Government of India have advised the State Governments to set up Development Authorities for large metropolitan cities somewhat on the pattern of Delhi Development Authority. The Committee recommend that the setting up of such authorities should be expedited in Metropolitan and other large cities where large scale housing projects are under execution, so as to maintain the inter-sectoral co-ordination and these authorities should be given necessary powers to oversee the completion of various activities connected with housing etc.

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6.19

The Committee note that Calcutta Metropolitan Development Authority has been set up to execute and implement a basic development plan for the overall development of Calcutta and the Authority has started execution of a Rs. 10 crore plan aiming at the provision of basic amenities like housing, drinking water, sanitation,

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| | | <p>drainage etc. The Committee feel that this is a step in the right direction as the problem of Calcutta has reached an alarming stage and brooks no delay. The Committee recommend that the Government of India should provide every facility and encouragement to ensure that the plan is executed expeditiously and effectively.</p> |
| 57 | 6.20 | <p>The Committee are surprised to learn that even in a city like Delhi which is the capital of the country and seat of the Central Government, such coordination has been lacking with the result that in many cases simultaneous action to provide facilities of provision of water, electricity, drainage, transport, medical facilities, education, etc. has not been taken. The Committee recommend that immediate action to remedy the situation should be taken. In this connection, the suggestion made by the representative of the Delhi Development Authority that the Lt. Governor of Delhi may be made head of these organisations and should enjoy all the powers of the Central Government so as to bring about necessary co-ordination, merits serious consideration by Government.</p> |
| 58 | 6.30 | <p>The Committee note that the Central Scheme for Environmental Improvement of Slums provides for cent percent assistance to the State Governments for improvement of slums in 14 cities and that an amount of Rs. 15 crores is expected to be released in the current year under the scheme. While 185 projects under the scheme involving an amount of Rs. 6 crores have already been sanctioned, 550 projects involving an amount of Rs. 13.76 crores are still pending approval of the Central Government. The Committee would like to stress that urgent action to clear the pending projects should be taken and</p> |

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| 59 | 6.31 | <p>steps taken to ensure the implementation of these schemes without delay.</p> <p>The Committee note that during the current financial year 1972-73, the scheme has been made applicable to 14 cities and it has been decided to extend the scheme with effect from 1st April, 1973 to 6 more cities.</p> <p>The Committee would like the Government to review the results of implementation of this scheme in the above cities and to remove the deficiencies, if any, in its implementation. Thereafter, action may be taken to extend this scheme to larger cities for which a perspective plan should be prepared and implemented.</p> |
| 60 | 6.32 | <p>The Committee note that a Slum Improvement/clearance Scheme was introduced by the Government of India in 1956 and the primary object of the scheme was to clear the slums and resettle the slum dwellers near their place of duty but as it was found by experience that clearance of slums was very difficult, the scheme for environmental improvement of slums had to be introduced. While agreeing that the present scheme is a step in right direction, the Committee would like to stress that the problem of the slums cannot be solved by environmental improvement alone. In many cases, action has to be taken for the clearance of these slums and resettling the slum dwellers near their place of work. At least in those cities like Simla and Chandigarh where there are no extensive slums, slum clearance can be attempted easily and preventive measures can be taken to ensure that slums do not grow there. At the same time advance action should be taken in consultation with State Governments to ensure that slums are not created in other cities meanwhile.</p> |

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| 61 | 6.33 | <p>The Committee realise that in cities like Calcutta, Bombay, Delhi etc., which are already very congested and where the social utility services like water, electricity, housing are scarce, it may not always be possible to settle the slum dwellers in the heart of the city nad near their place of work, and steps may have to be taken to resettle these slum dwellers in neighbouring colonies and satellite and ring towns. But this can be successful only if adequate provision of mass transport is made from such towns and suburban areas to the Metropolitan cities and back, so that the persons working in bigger cities particularly those belonging to low income group can commute to their places of work and go back to the smaller towns where proper housing facilities, sanitation, sewerage, educational facilities for children might be provided to them. The Committee recommend that a comprehensive integrated plans for providing cheap and quick means of transport on long and short term basis should be prepared by Government in consultation with the State Governments and local authorities and necessary steps to shift these slum dwellers to those outlying colonies and towns may be taken.</p> |
| 62 | 6.34 | <p>The Committee note that a 'Jhuggi Jhompri Removal Scheme' is being implemented in Delhi and while the scheme is being financed by the Central Government, the D.D.A. is the implementing agency for the scheme with effect from 1-3-1968. The Committee further note that although 1,00,000 houses have been sanctioned for construction so far, only 78,403 houses have been completed so far. The Committee further note that the Public Accounts Committee of Lok Sabha had pointed out a number of lapses/irregularities in the execution of the scheme such as non-maintenance of proper accounts,</p> |

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diversion of funds released by Government for the scheme, non-payment of Government's share of dues from the allottees, non-recovery of dues from the allottees, non-execution of proper lease dues and non-regularisation of 'Benami' transfers made by the allottees. The Public Accounts Committee had expressed the view that the manner of execution of the scheme left much to be desired and have suggested a comprehensive examination of the working of the scheme with a view to identify various omissions that occurred taking steps to avoid recurrence through planning and close supervision. The Committee would like to emphasise the urgent need for concerted action to remove all the loopholes in the execution of the scheme and would urge that the scheme should be implemented expeditiously.

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6.35

The Committee have already pointed out that slums grow in the metropolitan cities because of the drift of population to the metropolitan cities in search of employment as at present employment opportunities are largely available in bigger cities. The Committee feel that the problem of slums may continue to be with us unless comprehensive plans are prepared to provide opportunities of employment in smaller cities and towns. There has to be a purposeful and action-oriented planning to inhibit the growth of industries and big offices in these Metropolitan cities. It is well known that the big cities are outgrowing their physical boundaries and have become over-populated. The social and economic costs of providing housing, social utilities and services to large populations in these cities have become prohibitive. The Committee consider that a solution to these problems lies in keeping the population in these bigger cities within manageable and specified limits. Gov-

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ernment will have to consider whether the optimum size of these cities may be fixed taking into account the prospects and costs of providing necessary social services like water, electricity, transport, education and recreation facilities etc., to their population at reasonable costs. The big cities also pose the problem of environmental pollution. The Committee, therefore, recommend that urgent and immediate action should be taken by Government in this regard so as to avoid the growth of slum conditions and other attendant problems in the big cities.

APPENDIX V

(Vide Introduction)

Analysis of Recommendations contained in the Report.

A. Recommendations for improving the organisation and working.

Sl. No. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 19, 20, 24, 25, 26, 27, 28, 29,
30, 36, 37, 38, 39, 40, 41, 42, 43, 44, 46, 47, 48, 49, 50, 53, 57,

B. Recommendations for effecting economy.

Sl. Nos. 21, 45,

C. Miscellaneous Recommendations :

Sl. Nos: 1, 2, 3, 16, 17, 18, 22, 23, 31, 32, 33, 34, 35, 51, 52, 54, 55, 56, 58,
59, 60, 61, 62, 63.