

**ESTIMATES COMMITTEE
(1967-68)**

THIRD REPORT

(FOURTH LOK SABHA)

MINISTRY OF WORKS, HOUSING & SUPPLY

(Rural Housing)



**LOK SABHA SECRETARIAT
NEW DELHI**

May, 1967/Jyaistha, 1889 (Saka)

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CORRIGENDA

To

Third Report of the Estimates Committee
on the Ministry of Works, Housing and
Supply - Rural Housing.

Page(vii), line 24, for 'Appendix IX'
read 'Appendix X'.

Page 1, line 15, for 'village'
read 'villages'.

Page 31, line 3, delete the figure '7'.

Page 31, line 4, for '185' read '7,185'.

Page 48, line 1, for 'fod' read 'for'.

Page 64, line 22, for 'percentage'
read 'percentage of utilization'.

Page 69, line 9, for 'centre' read
'centres'.

Page 77, line 1, for 'instalment'
read 'instalments'.

Page 77, line 17, for 'then' read 'them'.

Page 78, line 11, for 'Plan' read 'Plans'

Page 79, line 14, add 'but' after
'programmes,'.

Page 79, line 5 from bottom, for 'sow',
read 'saw'.

(P.T.O.)

Page 82, col.8, for '31.3.65'
read '31.3.66'.

Page 82, S.No.1, for '15.6.65'
read '15.6.66'.

Page 82, S.No.5, for '1.10.66'
read '2.11.66'.

Page 82, S.No.9, for '18.1.65'
read '18.11.65'.

Page 100, line 12, for 'it' read 'is'.

Page 101, line 7, delete 'been' appearing
before 'suggested'.

Page 102, line 1, for 'or' read 'of'.

Page 127, line 17, for 'percentage'
read 'percentage of utilization'.

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(1967-68)

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Shri G. D. Sharma—Under Secretary.

INTRODUCTION

1. The Chairman, Estimates Committee, having been authorised by the Committee to submit the Report on their behalf, present this **Third Report** on the Ministry of Works, Housing and Supply (erst-while Ministry of Works, Housing and Urban Development)—**Rural Housing**.

2. The examination of estimates relating to the Ministry of Works, Housing and Supply—Rural Housing was taken up by the Estimates Committee (1966-67). They obtained necessary information and took evidence of the representatives of the Ministry of Works, Housing and Supply on the 30th November and 1st December, 1966. That Committee, however, could not finalise their report due to the sudden dissolution of the Lok Sabha on the 3rd March, 1967. The Estimates Committee (1967-68) have perused the minutes of evidence and have come to their own conclusions which have been embodied in the Report.

3. The Committee wish to express their thanks to the Secretary and other officers of the Ministry of Works, Housing and Supply for placing before the Committee the material and information they wanted in connection with the examination of the estimates.

4. The Report was considered and adopted by the Estimates Committee (1967-68) at their sitting held on the 11th May, 1967.

5. A statement showing the analysis of the recommendations contained in this Report is also appended (Appendix IX).

NEW DELHI;
May, 29, 1967.

Jyestha 8, 1889 (Saka).

P. VENKATASUBBAIAH,
Chairman,
Estimates Committee.

Introductory

Expressing his views in regard to rural reconstruction Mahatma Gandhi wrote in the issue of the *Harijan* of the 4th April, 1936, as follows:

“We town dwellers have believed that India is to be found in its towns and the villages were created to minister to our needs. We have hardly even paused to enquire if those poor folk get sufficient to eat and to clothe themselves with and whether they have a roof to shelter themselves from sun and rains”.

2. As regards village sanitation, Mahatma Gandhi has expressed his views as follows:

“Divorce between intelligence and labour has resulted in criminal negligence of the villages. And so, instead of having graceful hamlets dotting the land, we have dung heaps. The approach to many village is not a refreshing experience. Often one would like to shut one’s eyes and stuff one’s nose; such is the surrounding dirt and offending smell. A sense of national or social sanitation is not a virtue among us. We may take a kind of a bath; but we do not mind dirtying the well or the tank or the river by whose side or in which we perform ablutions. I regard this defect as a great vice which is responsible for the disgraceful state of our villages and the sacred banks of the sacred rivers and for the diseases that spring from insanitation”.

3. In the *Harijan* dated the 9th January, 1937 Gandhiji described an ideal village as follows:

“An ideal Indian village will be so constructed as to lend itself to perfect sanitation. It will have cottages with sufficient light and ventilation, built of a material obtainable within a radius of five miles of it. The cottages will have courtyards enabling house holders to plant vegetables for domestic use and to house their cattle. The village lanes and streets will be free of all avoidable dust. It will have wells according to its needs and accessible to all. It will have houses of worship for all, also a common meeting place, a place common for grazing its cattle, a cooperative dairy, primary and secondary schools in which industrial education will be the central

fact, and it will have Panchayats for settling disputes. It will produce its own grains, vegetable and fruit, and its own khadi. This is roughly my idea of a model village. In the present circumstances, its cottages will remain what they are with slight improvements. Villagers can help themselves, if they have mutual cooperation and contribute voluntary labour for common good. I am convinced that they can, under intelligent guidance, double the village income as distinguished from individual income. There are in our villages inexhaustible resources not for commercial purposes in every case, but certainly for local purposes in almost every case. The greatest tragedy is the hopeless unwillingness of the villagers to better their lot".

Mahatma Gandhi was of the opinion that "the villages of India must become self-supporting and they must be saved from fluctuations as much as possible. They must manufacture the finished goods which they require, in their own villages if the requisite raw material for them is produced locally. There should be no intervening agency between production and ultimate distribution. To bring about such a society village industries should thrive."

Gandhiji's idea about village self-government has, to some extent, been reflected in Article 40 of the Constitution which reads as under:

"40. The State shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government".

It is to be expected that the Panchayat institution will take up the task of overall development of rural areas, including rural housing.

B. Brief History of Village Housing in India

Living Conditions in Villages

4. The Environmental Hygiene Committee, in 1949 observed that—

"The structure of the village (in India) has a pattern that varies from province to province. It is well developed into a plan and has streets, temples, grazing grounds, etc., in the Madras province and Mysore State. It is a loose and nebulous collection of houses set amid ponds and served by no roads in West Bengal. There, one village merges into another, and the whole area is under rice cultivation or water. The villages in the Central Province and Bihar and in

the United Provinces are compact and well separated from one another. They have some sort of streets. The villages in Rajputana and Bombay are congested almost like towns. On the Malabar coast, they are full of pretty detached cottages on large grounds. Few villages have a satisfactory arrangements for disposal of excreta. Houses are not inadequate and not too badly overcrowded. But windows are few and lighting is poor. The people live in unduly close proximity to animals. The insect pests are innumerable."

Planning difficult

5. The Environmental Hygiene Committee further observed that—

"It is difficult to carry out planning in such villages. The people are poor, but their modes of living have taken deep root in their environment. They cannot be uprooted to new villages with new houses. They own their old houses and cannot afford to give them up and build new houses, even if they were willing. All that can be done is to improve communications, to open up a road if there is none, to provide a water supply and a grazing ground for cattle, and to persuade the villagers (i) to put in a few windows and keep them open, (ii) not to live with cattle, and (iii) to put up latrines of a sanitary type. Their school should be housed well with proper sanitation arrangements. A model house built in the village may have an educative value. It is all round planning for village uplift, with an emphasis on the individual whose self-help and cooperation are all important but who is too ignorant to practise and too poor to change his environment in a hurry. The whole shifting or re-planning of an existing village is impracticable. Planning can be confined only to new villages that have to be established.

Inception of Village Housing Scheme

6. About housing in general, it has been stated in the First Five Year Plan that ".....There is increasing recognition everywhere of the close relation between housing and the health and well-being of the people. Actually, over a number of years, shortages on a large scale have developed and conditions worsened a great deal. Efforts made to solve the problem were handicapped by the difficult economic situation prevailing during these years. . . . The situation has become particularly serious on account of the large increase of population since 1921." Referring to the problem of rural housing the First Plan stated that "The problem of housing in rural areas is a vast one as even now 83 per cent of the entire population of India

live in villages. Having regard to the limitations of financial resources, a satisfactory programme of rural housing during the period of the Plan (First) cannot be envisaged. . . . The problems which confront the rural areas are, however, somewhat different in character and do not call for expenditure of large sums for individual housing units. Unlike in towns, land value, and consequently congestion, is not a principal factor. The immediate needs of the villagers are primarily adequate water supply, improved communications and arrangements for disposal of sewage and waste-products. Improvement in standards of rural housing should be aimed at primarily by utilising labour and materials locally available with only a modicum of technical assistance. By the use of aided self-help technique, preferably promoted through the Community Projects Administration, wherever possible, a significant increase in the standard of living in the villages may be accomplished and the pressure on the cities relieved to a large extent."

Citing the example of aided self-help in Puerto Rico as being worthy of emulation in India it has been stated in the First Five Year Plan that "conditions in Puerto Rico are similar in many ways to those obtaining in this country. There, a rural development programme included secure tenure of building-cum-garden plots with aided self-help in house construction, in gardening, in water supply and sanitation development and in multi-purpose cooperative activities. The aid given by the State consisted of equipment, materials and skilled assistance costing \$ 300 per housing unit. The equipment consisted of truck for hauling gravel and sand from nearby sources, concrete mixers, hand operated cement block machines and wheel barrows. Building materials in the form of lumber, portland cement and reinforcing steel were also supplied. The estimated cost of each housing unit, viz., \$ 300 was advanced to the villager as a loan with provision of repayment in easy instalments of about \$ 2.50 a month. The subsidy involved in the housing aspect of the scheme was the absence of interest on the loan. The cost of house, if purchased, would have been \$ 1500. Thus by investing his own labour and with a certain amount of help from the State the villager in Puerto Rico saved \$ 1200 or 80 per cent of the cost of a house of much better quality than he could otherwise afford."

It appears that the First Plan formulated some general principles and programmes for rural housing—mostly on the basis of the experiment carried out in Puerto Rico. Some demonstrations of improved standards of rural housing built in selected areas were also held. But not much was done in assisting the villager to build better types of houses within his means and with the resources

readily available to him through the methods of aided self-help. It was also recognised that emphasis should be laid on the use of local materials in construction.

Village Housing Projects Scheme in Second Plan

7. With a view to ensure a coordinated approach to the problem of housing and connected problems of rural development based on the principle of aided self-help, a scheme known as Village Housing Projects Scheme was introduced in India during the Second Plan period in August, 1957. It has been stated in this connection that:

“In order to stimulate local initiative and the maximum use of local resources, outside aid, particularly financial aid, must be restricted to the minimum. Technical aid and guidance will, however, have to be freely made available by the State to the maximum extent required. The houses to be built in the selected villages will be designed on a very modest scale so as to set standards consistent with the stage of growth of the rural economy and the level of incomes over the greater part of the rural community.

Financial assistance in the form of loans will not exceed 50 per cent of the cost of construction (inclusive of the cost of land in cases where villages in flood affected areas are rebuilt on new sites), subject to a maximum of Rs. 1,500 per house.”

Modifications made in the Second Plan Period

8. The scheme has been modified from time to time. The important modifications made since the introduction of the scheme are briefly indicated below:

(i) *Research-cum-Training Centres.*—The Government of India announced the establishment of six Research-cum-training centres for the purpose of promoting research in the use of building materials and the improvement of building techniques and also for training technical personnel employed in planning and execution of projects under the Scheme. These centres were to function under the overall guidance of the National Buildings Organisation (October 1958).

(ii) *Acquisition and development of land.*—The State Governments were permitted to utilise a part of their loan allocation for the purpose of acquisition and development of land in selected villages and for provision of open developed plots, where necessary (July 1959).

(iii) *Inter-Departmental Committee in the States.*—To ensure effective coordination of the assistance given by various Ministries for different rural development programmes, including village housing, the State Governments were asked to set up Inter-Departmental Committees at the State level, consisting of representatives of different departments concerned, with the Development Commissioner as the Chairman. Similar committees were also to be set up at the district level with the District Collector|Deputy Commissioner as Chairman (July 1959).

(iv) *Enhancement of Loan Assistance.*—As it was found that the average villager could not contribute one half of the cost of construction from his own resources; the loan assistance admissible under the Scheme was raised from 50 per cent to 66-2|3 per cent of the cost of construction of the house subject to a maximum of Rs. 2,000 which was previously Rs. 1,500 (June 1960).

(v) *Improvement of existing houses.*—States were also permitted to utilise 15% of the allocation under the scheme for grant of loans for the improvement of existing houses (June, 1960).

Modifications made during the Third Plan Period.

9. (i) *Selection of Villages.*—The Scheme originally envisaged the establishment of Village Housing Projects only in the Community Development Blocks. This restriction was removed in August, 1961.

(ii) *Improvement of existing houses.*—The State Governments were allowed to utilise 20% of their loan allocation for grant of loans for improvement of existing houses instead of 15% as permitted earlier (August, 1961).

(iii) *House sites or landless Agricultural workers.*—The State Governments were permitted to utilise about 1/3rd of their allocation for the scheme for provision of house sites to landless agricultural workers. The expenditure on this account would be made available to the States in the form of Central grants. About 20-25% of the cost of house sites would be recovered from the beneficiaries in convenient instalments, to be ultimately utilised by the respective village panchayats for the improvement of sanitation etc. (September, 1962).

(iv) *Streets and Drains.*—The State Governments were further permitted to utilise roughly 1/6th of their allocation for the provision of streets and drains in the selected villages. This expenditure would also be in the form of grants (September, 1962).

(v) *Additional Overseers.*—In order to provide adequate technical service/guidance to villagers and other local authorities, the State Governments were permitted to engage additional overseers for the Rural Housing Cells. 50% of the expenditure on the pay and allowances (including T.A.) of such staff was to be met by the Government of India, in the form of grants (September, 1962).

(vi) *Increase in loan assistance.*—In view of the general rise in building costs, it was decided that the quantum of loan assistance should be enhanced from 66-2/3% to 80% of the costs of the house, subject to a maximum of Rs. 3,000/-, instead of Rs. 2,000/- per house (July, 1965).

(vii) *Replanning of Villages.*—The Village Housing Projects Scheme originally envisaged the total remodelling of villages, sector by sector, over a period of 8—10 years. In the light of the experience gained, it was decided that replanning of villages should be taken up only where it is feasible. In other cases, the emphasis should be on improvement of general sanitation, environmental hygiene and development of new colonies on a planned basis (July, 1965).

Present Scheme

10. The present Scheme as modified from time to time, provides mainly for the following:

(1) Grant of loans to residents of the selected villages for construction of new houses or improvement of existing houses upto 80% of the cost, subject to a maximum of Rs. 3,000/-.

(2) Central grants to State Governments for provision of streets and drains in the selected villages to improve sanitation and environmental hygiene upto 1/6th of their allocation.

(3) Central grants to State Governments for provision of house-sites under the scheme to landless agricultural workers upto 1/3rd of their allocations.

(4) Provision of technical services/guidance through Rural Housing Cells set up in State capitals. The State Governments were permitted to engage additional overseers for the Rural Housing Cells. 50% of the expenditure on the pay and allowances (including T.A.) of such staff is met by Government of India, in the form of grants.

(5) Intensification of research through research-cum-training centres in different regions.

11. Asked about the conditions prevailing in rural areas in India and Puerto Rico, on the basis of which the Rural Housing Projects Scheme was formulated, the Secretary of the Ministry of Works, Housing and Supply who had recently visited Puerto Rico admitted that the economic conditions in the rural areas of India and Puerto Rico were radically different. He explained:

“The economic conditions of people in rural areas of Puerto Rico are not the same as the economic conditions of our people here. The economic conditions there are very much better than the economic conditions of the people here. Secondly, they have built houses for their village people which I found, on visiting them, are not village houses as we understand them. They are semi-detached bungalow type houses which you see in some of our urban areas. It is rural setting but the houses are as we find in some of the urban areas. These are modern houses, partly pre-fabricated, with roads, water, electricity and full development as in a urban city. To suggest that our village conditions are similar to Puerto Rico and that we should provide village housing similar to that in Puerto Rico, I am afraid, is not at all possible. The cost of those houses is much more than we can afford. The setting is different. Their requirements are different.”

The Committee feel constrained to state that the formulation of Village Housing Projects Scheme on the Puerto Rico pattern was based on inadequate understanding of the social and economic conditions prevailing in the rural areas of the two countries. They feel that this was the initial handicap of the scheme as there was hardly any similarity in the rural economic and social conditions obtaining in Puerto Rico and India. Moreover, the Committee regret to note that there was no serious attempt to implement the ideas and programmes put in the Second and the Third Plans with the result that the scheme has not so far made any headway. The Committee would urge that such an important social welfare scheme which affects a vast majority of population should be prepared after a careful and realistic assessment of the needs and conditions of the people of our country.

II

PROGRESS OF VILLAGE HOUSING PROJECTS SCHEME DURING SECOND AND THIRD FIVE YEAR PLANS

A. Financial Provision and Physical Targets

12. The table below gives briefly the financial provision, the actual expenditure, physical targets and achievements in respect of the Village Housing Projects Scheme during the Second and Third Plan periods:

Period	Financial				Physical (No. of Houses to be built)		
	Provi- sion indica- ted in the Plan	Amount allocated to various States dur- ing the Plan period	Actual expendi- ture	Perce- ntage of 3 to 1	Target as indica- ted in the Plan	Actual Achieve- ment during the Plan period	Perce- ntage of 6 to 5
	1	2	3	4	5	6	7
	(Rs. in crores)						
Second Plan	10	4.85	3.76	37.6	*1,33,000	7,185	5.4
Third Plan	12.70	12.79	4.41	34.7	1,25,000	25,188	20.1

It will be seen that compared to the financial provision made in the Second and Third Plans, the actual expenditure incurred during that period amounted to 37.6 per cent and 34.7 per cent respectively i.e., a shortfall of 62.4 and 65.3 per cent. Against this, the shortfall in achieving the physical targets during the two Plan periods was 94.6 and 79.9 per cent respectively.

13. The Village Housing Projects Scheme was to be introduced in 5,000 villages during the Second Plan period. The progress in

*This figure has been mentioned in para 5 of letter No. H II-26 (10)/56-Vol. II, dated the 14th August, 1957 from the Ministry of Works, Housing and Supply to Chief Secretaries of all State Governments.

this regard during the Second and Third Plan periods is given below:

Year	Villages allotted to States	Villages selected by States for the Scheme	Percentage of 3 to 2
1	2	3	4
SECOND PLAN			
1957-58 .	500	259	51.80
1958-59 .	1500	1579	105.00
1959-60 .	2790	1900	31.90
1960-61 .	4800	3607	75.14
THIRD PLAN			
1961-62 . .	4800	4150	86.45
1962-63 . .	5000	4800	96.00
1963-64 . .	5000	5000	100.00
1964-65 . .	5000	5000	700.00
1965-66 . .	5000	5000	100.00

The Committee have been informed in a written note by the Ministry of Works, Housing and Supply that the allotment for the year 1957-58 was actually made in December, 1957 and allotment for the remaining years of the Second Plan was made in May, 1958. This accounted for 4,750 villages by the end of Second Plan. 250 villages were kept in reserve to be allotted later according to the needs of the States.

Although the number of villages to be covered during the successive years of the Second Plan was indicated to the States in May, 1958, they could take up the implementation only gradually. Much had to be done before the scheme could be taken up for implementation the State Governments. Villages had to be first selected; thereafter socio-economic and physical surveys, etc., had to be conducted, then, master plans and layouts had to be prepared and also type designs for rural houses. All this took time and implementation could be undertaken in the allotted villages only in stages. Besides, there were the question of finance and of eliciting adequate response from the villagers.

The position regarding the progress made in the selection of villages for the scheme, the villages surveyed, the villages where the scheme is being implemented as on 31st March, 1966, is given in the following table:

No. of villages allotted to States	No. of villages Selected for the Scheme	No. of vil-lages sur-veyed	No. of villages in which Sche-me is actually implemented by the States	Percentage of 4 to 1
1	2	3	4	5
5000	5547	5117	2913	58.26

A state-wise break-up of the villages in which the scheme is actually implemented is given below:

STATES

Sl. No.	States	No. of Villages
1	Andhra Pradesh .	187
2	Assam .	..
3	Bihar .	70
4	Gujarat . .	29
5	Jammu & Kashmir	..
6	Kerala . .	196
7	Madhya Pradesh	95
8	Madras . . .	151
9	Maharashtra	362
10	Mysore .	364
11	Orissa	103
12	Punjab	97
13	Rajasthan	240
14	Uttar Pradesh	789
15	West Bengal	180
16	Nagaland . . . . .	..
	TOTAL	2863

UNION TERRITORIES

Sl. No.	Name of State	No. of Villages
1	Delhi	11
2	Himachal Pradesh	17
3	Manipur . . . . .	..
4	Tripura	13
5	Andaman & Nicobar . . . . .	..
6	Laccadives	9
7	N.E.F.A. . . . .	..
8	Rondicherry . . . . .	..
9	Goa, Daman & Diu . . . . .	..
TOTAL		50
GRAND TOTAL		2863 + 50 = 2913

Reasons for Slow Progress

14. As regards the reasons for the slow progress of the Village Housing Projects Scheme the Committee have been informed in a written note that the following difficulties were experienced during the Third Plan period:—

- (i) The State Governments give the Scheme a low priority and do not provide adequate funds for it in their annual plans.
- (ii) The present organisational machinery at the State and local levels for the administration and implementation of the Scheme is far from adequate.
- (iii) The villages are not selected in compact groups in each block, thereby leading to diffusion of effort and activity.
- (iv) The villagers are generally averse to the replanning of their existing villages, as it involves acquisition/demolition of the land/properties to suit the redevelopment plans.
- (v) Villagers, whose economic condition is weak, are reluctant to take loans for house building, whereas those who are better-off, find the maximum loans assistance available under the Scheme, namely, Rs. 2,000 (now increased to Rs. 3,000) per house, far too inadequate.

The Committee have been further informed that with a view to accelerate the progress of the Rural Housing Scheme, the following measures have been taken:—

- (a) It was impressed upon the State Governments through demi-official letters at Minister's level and in meetings and conferences held from time to time that they should give higher priority to rural housing and not divert funds from housing schemes to other development projects.
- (b) The State Governments were asked to provide additional overseers in the Development Blocks to assist the villagers in the construction of their houses. For this purpose the Central Government agreed (in September, 1962) to bear 50 per cent of the expenditure as outright grant.
- (c) In the Draft Outline of the Fourth Plan, it has been laid down that the Scheme should be implemented in those villages where there is congestion due to increase in population or accelerated economic activity. The Rural Housing Scheme was modified in July, 1965. In accordance with this modification, re-planning of the whole villages is to be taken up only where it is found feasible and where the villagers' cooperation is forthcoming. In other cases emphasis is now to be placed on the improvement of general sanitation and environmental hygiene.
- (d) In September, 1962, the Scheme was modified to include the provisions of house sites to landless agricultural worker and the entire expenditure incurred therefor by the State Government is given by the Central Government as an outright grant.
- (e) In July, 1965, the quantum of loan to be provided under the Scheme was enhanced from Rs. 2,000 to Rs. 3,000 per house.

It has been stated that "these measures did not achieve the desired results mainly because during the Third Five Year Plan, the Scheme was transferred from 'Centrally Sponsored' to 'Centrally Aided' sector. Besides, the efforts made by the Government of India to persuade the State Governments to give housing a higher priority, not to divert housing funds and to strengthen their organisational machinery have not proved sufficiently effective."

When asked to explain why States were permitted to divert funds allocated for rural housing, the Secretary of the Ministry of Works, Housing and Supply has informed the Committee during evidence that "This diversion of funds provided for Housing in

general, including Rural Housing took place in the Third Plan, particularly after Chinese aggression and we took this up with the Planning Commission and tried to find out some way of ensuring that funds provided for housing are not diverted. But, I am afraid, there is no manner in which we can make certain that funds provided for housing are spent only for housing and are not diverted."

The representative of the Ministry of Finance (Department of Expenditure) has stated in evidence that "... It is for the administrative Ministry to get progress reports of the respective schemes with which that Ministry is concerned and raise objections if the amount is not utilised according to specifications and in the following year funds need not be released. Finance Ministry has no means of knowing how the money is being spent in the States except through reports which may be obtained by the administrative Ministry and shown to Finance". He added that the progress reports against each scheme are obtained by the administrative Ministries or should be obtained and at the time of the next year budget this should be considered before providing funds for the following year.

The Secretary of the Ministry of Works, Housing and Supply felt that "in theory it is all very well to say that funds are provided for housing and if they are diverted, some action can be taken to stop funds next year but in practice the position is that when the State Governments divert funds from housing to something else *ex-post-facto* approval is accorded by the Planning Commission.... But once that approval has been accorded then we cannot deduct anything from next year's grant."

The Secretary further informed the Committee that "If we can find some way out it would be good so far as housing is concerned but higher priorities having been given for other sectors, we have been told by the Planning Commission that such diversions are inherent in the scheme of things and once they are approved that is the end of the matter."

Asked about the extent of diversion of funds by the States, the Committee have been informed by the Ministry in a written note that "the State Governments have stated that no funds have been diverted from the Village Housing Projects Scheme to any other scheme. But it will be observed that during the Second Plan period, against a provision of Rs. 485 lakhs for the Village Housing Projects Scheme, the State Governments had spent only about Rs. 377 lakhs. Likewise, during the Third Plan period, the State

Governments had utilised only about Rs. 442 lakhs against a provision of Rs. 1279.50 lakhs. The Village Housing Projects Scheme being one of the Centrally Aided Schemes, the obvious conclusion is that the State Governments have diverted to other Schemes a portion of the provision allocated for the Village Housing Projects Scheme by re-adjustment of their outlays for different development heads within the State Plan ceilings. The amount diverted may be taken to be the difference between the amount originally allocated by this Ministry and the amount actually utilised under the Village Housing Projects Scheme."

It has been further stated that it has been impressed upon the State Governments that "the funds once allocated for Housing are not diverted to other development heads without prior consultation with the Central Ministries concerned or the Planning Commission, as such prior consultation is necessary in accordance with the revised procedure for allocation and release of Central assistance to State Governments which was introduced in May 1958. The Planning Commission have also written to State Governments impressing upon them the need to make a realistic appraisal of their resources and requirements under different heads of development, so that it may not be necessary to make a subsequent diversion of funds from one head to another."

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 the 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.

The Committee consider that the reasons for the shortfall in the scheme are such as would have been evident from the very beginning. In fact some of these difficulties were mentioned in the Report of the Committee on Environmental Hygiene in 1949 and were discussed at the various seminars on Housing held since then. From the changes made in the scheme from time to time, it is evident that apart

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 Governments 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.

B. Progress of Village Housing Projects Scheme in the States

15. The following tables indicate the financial provision and physical targets laid down for each State/Union Territory during Second and Third Plan periods in respect of the Village Housing Projects Scheme and the achievements made by them during that period:

Financial progress during the Second Plan Period

Amount allocated to the States during Second Plan

Percentage of 7 to 2

Total

1	2	Amount utilised during				7	8
		1957-58	1958-59	1959-60	1960-61		
I. States							
1. Andhra Pradesh	45.00	7.086	9.35	21.00	37.436	88.17	
2. Assam	15.00	0.060	0.22	0.26	0.540	3.60	17
3. Bihar	60.00	8.600	0.80	3.80	13.200	22.00	
4. Gujarat	19.50	1.160	16.08	8.00	42.740	174.45	
5. Maharashtra	5.00			17.50			
6. J. & K.	20.00						
7. Kerala	35.00		1.10	6.00	7.10	20.27	
8. Madhya Pradesh	25.00	6.050	5.04	1.26	12.350	49.40	
9. Madras	30.50	0.340	1.47	6.99	8.800	28.85	
10. Mysore	25.00	0.972	9.07	19.78	31.132	124.52	
11. Orissa	25.00	3.130	17.92	12.81	33.860	139.44	
12. Punjab	20.00	2.692	3.41	26.52	32.622	163.10	

	1	2	3	4	5	6	7	8
13. Rajasthan	.	25.00	2.00	2.842	13.14	24.70	42.682	170.72
14. U. P.	.	85.00		16.376	46.20	30.10	92.676	109.02
15. West Bengal	.	30.00	..	0.490	17.67	0.60	18.760	62.53
TOTAL (States)	.	465.00	3.31	49.798	141.47	179.32	373.898	80.40
II. Union Territories								
1. Andaman and Nicobar	.	4.00				..	..	..
2. Delhi	.	4.00				1.00	1.00	25.00
3. Himachal Pradesh	.	4.00	..			1.00	1.00	25.00
4. Manipur	.	4.00	..		..
5. Laccadives
6. Pondicherry
7. Tripura	.	4.00	..	..	1.00	..	1.00	25.00
TOTAL (U.Ts.)	.	20.00	..	..	1.00	2.00	3.00	15.00
GRAND TOTAL	.	485.00	3.31	49.798	142.47	181.32	376.898	77.70

*These figures include State share of expenditure on Rural Cells also.

THIRD PLAN

(Rs. in lakhs)

Financial progress during the Third Plan period

Total Percentage of 8 to 2

Name of State

Third Plan Provision

Amount utilised during

1961-62 1962-63 1963-64 1964-65 1965-66

I 2 3 4 5 6 7 8 9

I. States

1. Andhra	95.00*	0.80	8.13	4.50	6.25	7.21	26.89	28.30
2. Assam	20.00	0.26	1.60	0.42	0.50	0.28	3.06	15.30
3. Bihar	100.00	2.40	2.83	..	2.50	3.20	10.93	10.93
4. Gujarat	62.00@	..	8.60	1.33	5.88	7.31	23.12	37.29
5. J & K	3.00	..	..	..	..	..	..	..
6. Kerala	60.00	0.14	3.72	4.42	4.96	7.92	21.16	35.26
7. Madhya Pradesh	121.00	5.97	7.76	4.90	6.76	6.47	31.86	26.33
8. Madras	25.00	8.29	9.59	3.62	2.80	5.32	29.62	118.48
9. Maharashtra	200.00	7.22	5.56	7.84	39.94	70.67	131.23	65.61
10. Mysore	100.00	10.12	9.37	5.94	8.37	11.59	45.39	45.39
11. Orissa	50.00	2.61	3.09	6.09	6.14	5.92	23.85	47.70
12. Punjab	42.00	4.69	1.70	0.32	0.30	0.76	7.77	18.50

* Revised to Rs. 37.70 lakhs.

@ Revised to Rs. 47.00 lakhs.

§ Excluding Rs. 45.00 lakhs for Village Gothans.

I	2	3	4	5	6	7	8	9
13. Rajasthan	125.00	13.16	13.00	2.90	1.72	3.50	34.28	27.2
14. U. P.	225.00	2.93	8.41	3.91	3.25	4.57	23.07	1.25
15. West Bengal	25.00	0.76	2.28	4.54	3.53	3.23	14.34	57.56
16. Nagaland . . . . .	..	..	..	..	..	..	..	..
TOTAL (States) :	1253.00 @	59.35 @	85.64 @	50.73 @	92.90 @	137.95 @	426.57 @	34.04 @
II. Union Territories								
1. A. & N.	3.00	..	..	..	..	..	..	..
2. Delhi	4.00*	1.19	0.56	1.00	1.20	1.30	5.25	131.25
3. Himachal Pradesh	8.50**	1.67	1.70	..	..	..	3.37	39.64
4. Goa, Daman and Diu . . . . .	..	..	..	..	..	..	..	..
5. Laccadives	2.00	0.00	0.36	0.11	0.50	0.50	1.47	73.50
6. Manipur	4.00	0.00	0.50	..	0.00	1.00	1.50	37.50
7. Pondicherry	1.00	..	..	..	..	0.42	0.42	42.00
8. Tripura	4.00	0.20	0.70	..	0.50	1.75	3.15	78.75
TOTAL (U.Ts.) :	26.50	3.06	3.82	1.11	2.20	4.97	15.16	57.2
	1279.50	62.41	89.46	51.84	95.10	142.92	441.73	34.52

*Revised to Rs. 7.07 lakhs.

**Revised to Rs. 5.00 lakhs.

@These figures include State share of expenditure on Rural Cells also.

Physical Progress during Second and Third Plan periods.

Name of State/Union Territory	*Achievement of houses during Second Plan period	Third Plan target of houses	Achievement of houses during Third Plan	Percentage of 4 to 3
I	2	3	4	5
<i>STATES</i>				
1. Andra Pradesh	338	1865	2760	147.90
2. Assam . . . . .	..	1200	..	..
3. Bihar	49	5000	80	1.60
4. Gujarat	119	4000	862	21.55
5. Jammu & Kashmir	..	..	..	..
6. Kerala	285	1000	1667	166.70
7. Madhya Pradesh	145	8000	1374	17.17
8. Madras	168	1350	2018	149.48
9. Maharashtra	244	9017	4689	52.00
10. Mysore	782	2502	4136	165.38
11. Orissa	603	4560	271	5.94
12. Punjab	40	3500	938	26.80
13. Rajasthan	1100	7000	2946	42.08
14. Uttar Pradesh	585	22500	2432**	10.80
15. West Bengal	919	6000	2782	46.33
16. Nagaland	..	..	..	..
Total	5377	77494	26955	34.70

*No targets were fixed for the Second Plan period.

**Scheme has since been wound up.

1	2	3	4	5
<i>Union Territories</i>				
1. Delhi	3	250	272	108.80
2. Himachal Pradesh' .	10	200	244	122.00
3. Manipur . . . . .	..	267	..	..
4. Tripura	25	267	211	79.03
5. Andaman & Nicobar	..	300	..	..
6. Laccadives . . . . .	..	200	6	3.00
7. NEFA'		17		..
8. Pondicherry . . . . .	..	17		
9. Goa, Daman & Diu . .	..	..
Total	38	1501	733	48.83
Grand Total	5415	78995	*27688	

It would be seen that during the Second Plan while the expenditure incurred by the Mysore, Orissa, Punjab, Rajasthan, U.P. and Maharashtra States exceeded the Plan provision, there was considerable shortfall in expenditure in other States like Kerala, Madras, Bihar and Assam. During the Third Plan, however, except Madras State where the expenditure exceeded the Plan provision, there were shortfalls in expenditure in all the States. The extent of shortfall was heaviest in U.P., Bihar, Assam and Punjab.

In regard to physical targets, it is surprising to note that no targets regarding the construction of houses were fixed State-wise during the Second Plan period. During the Third Plan period also total number of houses for which targets were fixed for the various States was much below the target of houses envisaged to be constructed under the scheme during the Plan period. Even so the progress in construction in some States particularly Bihar, Orissa and U.P. was far from satisfactory and was less than 20 per cent of the targets fixed for them.

*It has been stated at the factual verification stage that the achievement during the Third Plan was 25,188 and not 27688.

In regard to the shortfall the Committee have been informed that the selection of villages takes some time. The State Governments have to make up their mind as to which villages they want to select, based on the economic condition of their residents and such other factors. It was admitted during evidence that almost 10 years have passed since the implementation of the Village Housing Projects Scheme, yet certain States like Assam and Jammu & Kashmir are not implementing it. Uttar Pradesh has wound it up in 1965 while Punjab did not make any provision for the scheme during the last 3-4 years.

C. Progress of the Scheme to be watched by the Centre

Asked to state how the progress about the execution of this Scheme by various States was being watched by the Centre, it has been stated that "Under the scheme, the State Governments are required to submit quarterly progress reports which are reviewed in the Ministry and, wherever necessary, the matter is taken up with the State Governments. Again, the position regarding the implementation of the Scheme is periodically discussed in the Conference of Housing Ministers. Two Seminars of officers in charge of execution of the Scheme in States were held, one at Mussoori in 1958 and the other at Mysore in 1962, to provide them with an opportunity for exchange of views. The position in this regard is also reviewed annually at the time the Plan proposals are framed in the Planning Commission. Thus the Scheme is under constant review and has been modified several times in the light of experience gained.

As mentioned above, matters of common interest and problems faced by various States in implimentation of the Scheme have been discussed from time to time at Conferences and Seminars. The recommendations of these Conferences and Seminars were examined by the Ministry of Works, Housing and Supply and suitable action taken where necessary. Whenever any State has come up with a problem, efforts have been made to help it in finding a solution. During his tours, the Minister of Works, Housing and Urban Development has also been discussing with State Ministers the problems faced by the State Governments in implementing the Housing Schemes and giving them suitable advice."

When asked about the measures taken to help the States lagging behind in the implementation of schemes, the Committee have been informed that "If any State Government wants our help, then only we can give help. They have not got any dearth of engineering staff"

or administrative staff but it is inadequate provision of funds and lack of will to implement the scheme."

The Committee are surprised to note that while the number of houses to be constructed during the Second Plan period under the Village Housing Projects Scheme was laid down in the Second Plan period as 1,33,000, this was not broken up into State-wise targets by the Ministry. During the Third Plan period while the targets of construction of houses was 1,25,000, the target fixed for the various States and Union Territories during the whole Plan period amounted to only 78,995 i.e. about 40 per cent of the overall targets remained unallocated. Against these targets the houses actually constructed during this Plan period amounted to 25,188 only.

The Committee regret to note that a number of States particularly Bihar, Gujarat, Madhya Pradesh, Orissa, U.P. and Punjab have not shown the necessary interest in the execution of the Village Housing Projects Scheme and lagged much behind the targets fixed for them. While the Committee realise that the implementation of the scheme is the responsibility of the State Governments, they feel that the poor progress in the implementation of the scheme by the State Governments is partly due to lack of effective follow up measures by the administrative Ministry. It appears that careful watch had not been kept on the expenditure incurred by the various States on this scheme and the number of houses constructed. In a scheme which is aided by the Centre, it is expected that the administrative Ministry should keep a close watch on the progress of the scheme by the various States and should take initiative to solve the difficulties of the States which are lagging behind. The Committee recommend that effective measures should be evolved by the administrative Ministry in consultation with the State Governments to ensure that the schemes aided by the Centre are implemented by the States not only in letter but in spirit.

D. Progress Reports from the States

16. It has been stated that the progress of the implementation of Village Housing Projects Scheme is watched by the Ministry of Works, Housing and Supply through quarterly progress reports submitted by the State Governments. Asked whether the progress reports are received regularly the Committee have been informed during evidence that the quarterly reports were generally delayed by the State Governments; sometimes these were submitted even later than a year.

The Committee have been informed in a written note that "a number of States and Union Territory Administrations have not been furnishing the progress reports regularly. The defaulting States and Union Territories are being reminded regularly through formal and demi-official letters. The delay in submission of these reports has also been brought to the notice of the State Governments and Union Administrations on the occasion of Housing Ministers Conference and meetings with the representatives of individual States/Union Territories."

The actual position in respect of the receipt of quarterly progress reports by the Ministry of Works, Housing and Supply from the various States/Union Territories as on 31st December, 1966 is reproduced in the Appendix I.

It will be seen that quarterly progress reports are submitted very late by the States. Further the last quarterly reports submitted by Orissa, Punjab, Kerala and U.P. relate to the quarters ending 31st March, 1964, 31st March, 1965, 30th June, 1965 and 31st December, 1965 respectively.

This would indicate that neither the administrative Ministry at the Centre nor the States have taken up the work of implementation of the Scheme and watching its progress seriously. It is therefore no wonder that the progress of the schemes has been so poor. The Committee would urge that effective procedures should be evolved by the administrative Ministry in consultation with the State Governments to ensure that there are no delays in reporting the progress of the Scheme regularly.

E. Change of Scheme from Centrally Sponsored to Centrally Aided

17. The Village Housing Projects Scheme was started in 1957 as a Centrally Sponsored Scheme and continued as such during the Second Plan period. During the Third Plan period it was changed into a Centrally Aided Scheme. The procedure followed for allocation and sanction of central assistance to State Governments for Centrally Sponsored and Centrally Aided Schemes is given at Appendix II.

Reasons for the transfer of the Scheme from the Centrally sponsored to Centrally aided:

When asked to state the reasons for change of the Scheme from the Centrally Sponsored to Centrally Aided Scheme, the Committee have been informed that it was done under pressure from the

State Governments. It has further been stated that State Governments wanted more and more Schemes to be financed by the Central Government, leaving the actual implementations exclusively to them.

The Committee have been informed in a written note that "the difference between the Centrally Sponsored and the Centrally Aided Schemes lies in the fact that the entire provision for Centrally Aided Schemes has to be made by the State Governments within their overall Plan ceilings whereas the allocations for the Centrally Sponsored Schemes are made from the Central Sector, outside the State Plan Ceilings, except to the extent of the State's share of expenditure, if any. This means in effect that in respect of the Centrally Aided Schemes, the State Governments are free to divert funds from one Scheme to the other, by appropriate re-adjustment within their overall Plan Ceilings. In respect of the Centrally Sponsored Schemes, however, the State Governments have no such discretion. If any State Government is not in a position to spend the funds allocated for any Centrally Sponsored Scheme, it is open to the Central Government to divert the allocation to any other State capable of utilising additional funds.

As Village Housing Projects Scheme is a centrally aided scheme the Central Government have no effective control to ensure that the funds allocated for this scheme are actually utilised for this scheme only and not diverted elsewhere."

The Committee note that the Working Group on Housing and Urban and Rural Planning for the Fourth Five Year Plan has suggested that:

"The funds earmarked for social housing schemes in the Fourth Plan should not form part of the State Plans, so that they could be free from the pressure of other competing demands within the limitation imposed by the State Plan ceilings. In other words, the housing schemes would become Centrally sponsored instead of being Centrally aided. This would enable the State Governments to draw funds for housing schemes from the Central Government according to their requirements, without being affected by the annual State Plan ceilings. It might be clarified that even under this arrangement, the State Governments would continue to be in charge of the formulation, scrutiny and sanctioning of the housing projects, the role of the Central Government being confined to the provision of funds for housing schemes outside the annual State Plans.

Alternatively, the Planning Commission should issue a directive to the State Governments that funds earmarked for housing schemes must actually be provided by them in full in their successive annual Plans, according to the year-wise phasing prescribed by the Planning Commission. The State Governments should also be asked to ensure that funds provided for housing schemes in the annual Plans are not diverted to other development projects during the course of the year. They should further be informed that if they failed to provide funds for housing, as mentioned above, or diverted them to other development projects in any particular year, their allocation of Central assistance would be correspondingly reduced in that year or the following year."

While the Committee realise the importance of rural housing, they also feel that the programme has to be integrated with the economic and general development of the rural area and should be such as not to burden the villager with a loan which he does not want or for which he does not have the capacity to pay back. The Committee would, therefore, suggest that the Planning Commission/Government should fix realistic targets for rural housing and at the time of review of the Annual Plan for the State Governments, provide funds strictly in accordance with the achievements and estimated requirements. They agree with the Working group that "The State Governments should also be asked to ensure that funds provided for housing schemes in the annual Plans are not diverted to other development projects during the course of the year."

F. Central Assistance to States under the Scheme

18. The following table gives the total Central assistance to each State during the Second and Third Plan period under the Village

Housing Projects Scheme together with its break-up into loans and grants, etc.:

(Rs. in lakhs.)

S. No.	Name of State Union Territory	Details of expenditure under the Scheme during										
		Second Plan					Third Plan					
		Loan	Grant	Total	Percentage of Grants to total exp.	Percentage of States total exp. in all States	Loan	Grant	Total	Percentage of Grants to total exp.	Percentage of States total exp. in all States	
1	2	3	4	5	6	7	8	9	10	11	12	
1	Andhra Pradesh	35.85	0.79	36.64	2.16	10.01	14.83	10.06	24.89	40.04	6.12	
2	Assam	..	0.27	0.27	100%	0.07	0.38	2.00	2.38	84%	0.59	
3	Bihar	11.60	0.80	12.40	6.45	3.39	4.64	3.70	8.34	44.36	2.05	
4	Gujarat	8.00	..	8.00	Nil	2.19	12.92	9.80	22.72	43.13	5.59	
5	Haryana	..	..	..	..	..	..	..	..	..	..
6	J & K	The Scheme is yet to be implemented.										
7	Kerala	6.60	0.25	6.85	3.65	1.87	12.27	8.02	20.29	39.5	4.99	
8	Madhya Pradesh	11.64	0.35	11.99	2.9	3.28	28.53	2.23	30.76	7.2	7.57	
9	Madras	6.92	0.94	7.86	11.9	2.15	21.39	6.48	27.87	23.25	6.86	
10	Maharashtra	33.54	0.60	34.14	1.76	9.33	73.02	55.86	128.88	43.3	31.7	
11	Mysore	29.83	0.64	30.47	2.1	8.33	31.84	12.08	43.92	27.5	10.8	

States

I	2	3	4	5	6	7	8	9	10	11	12
12	Nagaland	The Scheme is not being implemented.									
13	Orissa	32.70	0.58	33.28	1.74	9.10	16.44	6.15	22.59	27.2	5.56
14	Punjab	31.72	0.45	32.17	1.37	8.79	5.51	1.13	6.64	17	1.63
15	Rajasthan	41.67	0.51	42.18	1.2	11.53	28.19	4.72	32.91	14.3	8.09
16	U. P.	90.83	0.92	91.75	1	25.07	17.76	4.23	21.99	19.2	5.40
17	West Bengal	17.05	0.85	17.90	4.75	4.89	8.40	4.00	12.40	32.26	3.50
	TOTAL (STATES)	357.95	7.95	365.90			276.12	130.46	406.58		
	<i>Union Territories</i>										
1	A & N	No houses could be built during Second and Third Plan periods.									
2	Delhi	1.00		1.00			5.25		5.25		
3	L.M. & A. Islands . . . . .	..		..			1.47		1.47		
4	Himachal Pradesh	1.00		1.00			3.37		3.37		
5	Manipur						1.50		1.50		
6	Pondicherry . . . . .	..		..			0.42		0.42		
7	Tripura	1.00		1.00			2.85	0.30	3.15		
8	Goa, Daman & Diu										
9	NEFA	Scheme is not being implemented.									
10	Chandigarh										
	TOTAL U. Tr.	3.00	..	3.00			14.86	0.30	15.16		
	GRAND TOTAL	360.95	7.95	368.90			290.98	130.76	421.74		

It will be seen from the above table that there is wide disparity in the expenditure incurred by the various States under the Village Housing Projects Scheme. During the Second Plan while the expenditure incurred in the States of Kerala, Madras, Gujarat and Bihar was 1.87 per cent, 2.15 per cent, 2.19 per cent and 3.39 per cent of the total expenditure, the States of U.P., Rajasthan, Andhra Pradesh and Maharashtra incurred expenditure amounting to 25.07 per cent, 11.53 per cent, 10.01 per cent and 9.33 per cent respectively. During the Third Plan also the expenditure has varied very widely among the various States. While the expenditure incurred in the States of Maharashtra, Mysore, Rajasthan and Madhya Pradesh was 31.7 per cent, 10.8 per cent, 8.09 per cent and 7.57 per cent of the total expenditure, it was 0.59 per cent, 1.63 per cent, 2.05 per cent and 3.05 per cent in the States of Assam, Punjab, Bihar and West Bengal respectively. The Committee also note that the percentage of grants to the total Central assistance in each State during the Second and Third Plan periods have also varied widely. During the Second Plan it fluctuated between 1 per cent and 1.2 per cent in the case of Uttar Pradesh and Rajasthan respectively to 11.9 per cent and 6.45 per cent in the case of Madras and Bihar respectively. Similarly the percentage of grants to the total Central assistance during the Third Plan showed wider disparities. In the case of Madhya Pradesh, Rajasthan, Punjab and U. P. the percentage of grants to the total Central assistance amounted to 7.2 per cent, 14.3 per cent, 17 per cent and 19.2 per cent respectively but in the case of Assam, Bihar, Maharashtra, Gujarat, Andhra Pradesh, Kerala and Bengal it was 84 per cent, 44.36 per cent, 43.3, 43.13, 40.4, 39.5 and 32.26 per cent respectively.

Government may like to examine the reasons for wide variations in percentage of Central Grants ranging from 7.2 per cent in the case of Madhya Pradesh to 44.36 per cent in the case of Bihar for Rural Housing and see whether these should also be related in some way to the urgency of the problem and the capacity for self-help.

G. Average Government expenditure per House

19. In the Second Plan a provision of Rs. 10 crores was made for the construction of 1,33,000 houses under the Village Housing Projects Scheme. In the Third Plan, a provision of Rs. 12.7 crores was made for this Scheme for construction of 1,25,000 houses. This meant that for an expenditure of Rs. 1 lakh in the Second Plan and Third Plan periods, the number of houses which would be constructed would amount to about 133 and 100 respectively. In other words the average Government expenditure per house was estimated at about Rs. 752 and Rs. 1000 respectively during the Second and Third Plans.

The actual expenditure on this Scheme during the Second and Third Plans, however, amounted to Rs. 3.76 crores and Rs. 4.41 crores respectively and the number of houses actually constructed was 7,185 and 25,188 respectively.

Thus average Central Government expenditure on each house during the Second and Third Plan periods amounted to Rs. 5,233 and Rs. 1,750 respectively.

The following table gives the total expenditure incurred in each State, the number of houses built and the average expenditure per house during the Second and Third Plan periods:

State	Second Plan			Third Plan		
	Total Exp. (Rs. in lakhs)	No. of Houses Built	Average Central Govt. Exp. per house Rs.	Total Exp. (Rs. in lakhs)	No. of Houses Built	Average Central Govt. Exp. per house Rs.
I	2	3	4	5	6	7
<i>States</i>						
1. Andhra Pradesh	37.436	338	11,075	26.89	2760	974
2. Assam	0.540			3.06	..	..
3. Bihar	13.200	49	26,938	10.93	80	13,663
4. Gujarat	42.740	199	35,916	23.12	862	2,682
5. Maharashtra		244		131.23	4689	2,799
6. J & K		..	..		..	..
7. Kerala	7.100	285	2,491	21.66	1657	1,269

1	2	3	4	5	6	7
8. Madhya Pradesh	12·350	145	8,517	31·86	1374	2,319
9. Madras	8·800	168	5,238	29·62	2018	1,467
10. Mysore	31·132	782	3,981	45·39	4136	1,097
11. Orissa	33·860	603	5,615	23·85	271	8,800
12. Punjab	32·622	40	81,555	7·77	938	8,283
13. Rajasthan	42·682	1,100	3,880	34·28	2946	1,163
14. U.P.	92·676	585	15,842	23·07	2432	948
15. West Bengal	18·760	919	2,041	14·34	2782	515
16. Nagaland						
<i>Union Territories</i>						
1. A. & N.						
2. Delhi	1·00	3	33,333	5·25	272	1,930
3. Himachal Pradesh	1·00	10	10,000	3·37	244	1,381
4. Manipur				1·50		..
5. Laccadive				1·47	6	24,500
6. Pondicherry				0·42		
7. Tripura	1·00	25	4,000	3·15	211	1,492
8. NEFA						
9. Goa, Daman and Diu						..

It will be evident from the above table that the average expenditure per house during the Second Plan ranged from Rs. 2,041 in the case of West Bengal to Rs. 81,555 in the case of Punjab. During the Third Plan also the average expenditure per house fluctuated between Rs. 515 for West Bengal to Rs. 13,663 for Bihar.

Asked about the reasons for the abnormally heavy expenditure per house, in the case of some States like Bihar, Orissa, Gujarat, Punjab, U.P., etc., the Ministry have furnished the following information on the basis of replies, received from State Government:

"It has been pointed out that administrative expenditure should not be taken into account for determining the cost of houses built under the Scheme. A large part of the administrative work under the Scheme cannot in any way be co-related to the construction of houses. The first task was to break down the traditional inhibitions of the rural population and to create a consciousness of the need for better housing and then the preliminaries and other ground work had to be undertaken in the initial stages of execution of the Scheme. The Rural Housing Cells were sometimes given functions not directly connected with the Village Housing Projects Scheme, e.g., in West Bengal, the Cell was assigned work relating to the State Government's scheme called 'Build Your Own House' in flood-affected areas. Even concerning the Village Housing Projects Scheme, the functions of the Cell such as preparation of layout plans, master plans, socio-economic and physical survey, type designs of houses, etc., cannot be related to the performance of the administrative staff in terms of houses completed. Again, the number of houses completed excludes the houses at various stages of construction. Lastly, working out the cost of houses by adding administrative expenditure ignores such factors as absence of any direct control by the administrative machinery over the progress of completion of individual houses and also cancellation of projects after preliminary works are completed. In view of all this, administrative expenditure under the Scheme has no direct bearing on the cost of houses under the Scheme. The average cost of houses under the Scheme, as reported by the State/Union Territory Governments, is given below:

S. No.	Average cost of houses during	
	Second Plan	Third Plan
1	2	3
<i>States</i>	Rs.	Rs.
1. Andhra Pradesh	1,118	1,433
2. Assam	No applications received for loans.	
3. Bihar	Between Rs. 1,500 and Rs. 3,000	

1	2	3
	Rs.	Rs.
4. Gujarat	Between Rs. 1,400 and Rs. 1,900.	
5. Haryana	..	3,000
6. Jammu & Kashmir	Scheme not implemented.	
7. Kerala	3,000	3,750
8. Madhya Pradesh	850	1,145
9. Madras	3,000	3,750
10. Maharashtra	3,000	3,500
11. Mysore	2,500	2,500
12. Nagaland	Scheme not implemented.	
13. Orissa	Not possible to know in view of individuals contributions.	
14. Punjab	4,000	9,000
15. Rajasthan	Not known.	
16. Uttar Pradesh	2,000	2,500
17. West Bengal	500	500
<i>Union Territories</i>		
1. Andaman & Nicobar	No house could be built during Second and Third Plan periods.	
2. Delhi	Not given.	
3. Laccadive, Minicoy and Amindivi Islands	..	2,000
4. Himachal Pradesh	6,000	..
5. Manipur	Reply not received.	
6. Pondicherry	Not given.	
7. Tripura	750	1,750 to 2,500
8. Goa, Daman & Diu	} Scheme is not being implemented.	
9. NEFA		
10. Chandigarh		

The Committee are constrained to observe that against the estimated overall Central Government expenditure of Rs. 752 and Rs. 1000 per house during the Second and Third Plan respectively the actual expenditure incurred per house amounted to Rs. 5233 and Rs. 1750 respectively. The average expenditure per house in each State during the Second Plan period has also fluctuated very widely. While it works out to Rs. 2041 in the case of West Bengal it is as high as Rs. 81,555 in the case of Punjab. Although the position improved

during the Third Plan period, the average expenditure still ranged between Rs. 515 in West Bengal to Rs. 13,663 in Bihar.

Even if the figures of average cost per house given by the Ministry are taken into account the expenditure per house ranged from Rs. 500 in the case of West Bengal to Rs. 4000 and Rs. 9000 in the case of Punjab during the Second and Third Plan periods. While the Committee agree that preparatory work has to be done in implementing such schemes and making them popular with the beneficiaries, they would like to emphasise that the overall total expenditure has to be related to the actual physical performance intended to be achieved by that scheme. Viewed from that angle the performance of the scheme in terms of the houses built as compared to the total expenditure has not been very encouraging. The Committee would urge that while preparing the plans and programmes, realistic estimates of the targets to be achieved should be laid down for each State considering their local and regional conditions and it should be ensured that the achievements of the States generally correspond to the targets laid down and the financial resources made available to them. The Committee would urge that while preparing the Fourth Plan the physical and financial targets in respect of each State should be broadly determined under this scheme and the performance should be watched against them regularly. . .

The Committee need hardly stress that as rural areas of the country admittedly suffer from poor economic resources, every effort should be made to ensure that the outlay on rural houses is reduced to the minimum, consistent with the need for providing sanitary and healthy environmental conditions. The Committee have no doubt that Government would make every effort to bring down the Central Government expenditure per house in States such as Punjab, Haryana, Kerala, Madras etc.; where it is unduly high. The Committee also suggest that more or less a uniform expenditure per house should be insisted upon in each State allowing only a slight fluctuation due to local variations.

III

REMODELLING OF VILLAGES AND IMPROVEMENT OF STREETS AND DRAINS

A. Remodelling of Villages

20. The Village Housing Projects Scheme originally aimed at development of model villages by remodelling them sector by sector, in accordance with layout plans drawn up for them after conducting the necessary socio-economic and physical surveys. The development of a village was to be spread over a period of 8—10 years.

The Sub-group on Rural Housing for Fourth Plan in its Report has stated that while the objective of the Scheme to develop model villages with proper layouts is no doubt desirable, it is felt that the Scheme lays undue emphasis on this aspect, which is not practicable in all cases. Villagers are generally unwilling to surrender any part of their ancestral land or property for the purpose of widening village streets or for providing other community facilities. To make all the villagers agree to a Master Plan often requires prolonged discussion and persuasion, which unduly retard the progress of the Scheme. The relaying of a whole village should, therefore, be aimed at only where it is readily feasible, as for example in the case of flood affected villages to be established at alternative sites.

Asked about the number of villages which have been completely remodelled under the scheme, the Committee have been informed by the representative of the Ministry of Works, Housing and Supply during evidence that "We have not got data as to how many villages have been developed in their entirety. The State Governments have confined their attention to total development in the case of flood-affected villages only. In the case of other villages they have not done so because they told us that the total land development of the villages would not be possible or practicable; and that is why we have now changed our policy that we should confine ourselves only to the environmental development of villages."

Elaborating further he stated that "Initially the idea was that the layout plans of the villages selected will be prepared and there will be total redevelopment plans. Subsequently State Governments found that there was great resistance to the total redevelopment plans from the villagers. Therefore, in the Fourth Plan we

have tried to change this concept. We are now confining ourselves to improvement of environmental conditions to the extent possible."

Selection of Villages in Groups—Progress

21. The village Housing Projects Scheme envisages that Groups of 4—6 adjoining villages will be selected in each Block and suitable layout plans and designs for houses prepared for them by or under the guidance of Rural Housing Cells. This position has been made in order to facilitate technical supervision and production of building materials etc. on a co-operative basis. Such villages could offer possibilities for establishment of co-operative brick and lime kilns and of workshops for producing other building components, such as doors and windows, and building hard ware, such as locks and hinges.

In the Third Plan it has been observed that "during Second Plan the Scheme has been taken up in isolated villages and not in groups of villages as was envisaged in the scheme. The latter aspect is important because it is only when a small group of villages is taken up together that it is possible to arrange to set up a brick kiln or arrange for the supply of components on a co-operative basis to meet a continuing demand. The full impact of a housing programme in the rural area by way of increase in employment and improvement in environmental conditions cannot be obtained unless the programme is undertaken systematically in groups of adjoining villages."

The Sub-group on Rural Housing for Fourth Plan in its Report has suggested that in order to make a concerted effort, facilitate supervision and organise production of building materials, a compact group of villages should be selected under the Scheme in each Block. In selecting Blocks, preference should be given to areas, where an intensive agricultural programme has been or is being successfully executed.

When asked whether the original scheme of selecting the villages in Groups had been followed in actual practice, it was stated during evidence that "In actual practice this idea was not implemented.... the original idea of selecting adjoining villages was not found practicable. The States could not implement that idea for various reasons. Therefore, they were allowed to select other villages, not adjoining villages".

During the course of evidence the Committee have been informed that in actual practice the idea of taking villages in Groups is not being implemented and the same will be tried in the Fourth Plan when more villages are added.

The Committee note that the idea of total remodelling of the villages except for the flood affected villages and villages in new colonies under the Village Housing Projects, Scheme has been abandoned. In this connection they would point out that even in the Report of the Committee on Environmental Hygiene in 1949 the difficulties in total remodelling of villages had been pointed out. It is surprising how in spite of the observations made by that Committee, the scheme of total remodelling of villages was at all included in the Village Housing Projects Scheme which ultimately proved unsuccessful.

The Committee also regret to note that the idea of selecting groups of villages for the scheme has not been implemented as yet. They feel that if the scheme had been introduced in compact groups of villages, it would have been possible not only to ensure better technical supervision over the construction of houses but also to arrange for the production of building material on a cooperative basis by setting up brick and lime kilns as well as workshop for producing other building components.

B. Improvement of Streets and Drains in Rural Areas

22. It is generally accepted that a major cause of insanitation in the villages is the absence of latrines in individual houses. Streets are sometimes littered with night soil. Provision of sanitary latrines in village houses, is therefore a crying need. Another cause of insanitation in villages is the lack of drainage as dirty water is often found stagnating in pools and *kacha* drains, because of improper disposal of waste water from wells and hand pumps etc. It is very essential to have *pucca* drains of bricks, stones or concrete, to lead away waste water which could be absorbed on a plot of land by growing some plants. Apart from the disposal of waste water some arrangement for drainage of rain water is also needed. Improvement of sanitation and environmental hygiene of the village should be the primary objective of the rural housing programme. It was for this reason that laying of streets and drains in the villages selected for development was made an integral part of the Village Housing Projects Scheme in the Third Plan. The State Governments were informed in September 1962, that they could utilise funds to the extent of about one-fourth of their annual allocation under the Scheme, for provision of these essential civic amenities in the selected villages, and these funds would be made available to them as an outright grant from the Centre.]

Regarding the progress made by the States/Union Territories to effect improvement in laying of streets and drains in the villages, the Committee have been informed as under:

State	Progress made
Andhra Pradesh	The progress is nil.
Assam	Do.
Bihar	It has sanctioned construction of streets measuring 4800 K. M. and Rs. 2500 has so far been spent.
Gujarat	The progress is nil.
J & K	Do.
Kerala	10·60 K. M. new roads have been completed and 2·71 K. M. roads under formation 14·28 K. M. roads have been improved.
Madhya Pradesh	Work has been carried out in 95 villages and is in progress in 12 villages.
Madras	7·50 K.M. roads sanctioned and 4·87 K.M. completed. 3·40 K.M. drains sanctioned and 1·72 K.M. completed.
Maharashtra	26·58 K.M. roads completed and 16·12 K.M. drains completed.
Mysore	51·68 K.M. streets sanctioned.
Orissa	No progress.
Punjab	No progress.
Rajasthan	
Uttar Pradesh	The scheme was wound up in 1965.
West Bengal	No material progress has been made by the State.
Nagaland	The Village Housing Projects Scheme is not being implemented in the State.

State	Progress made
<i>Union Territories</i>	
Delhi	Certain schemes in this respect are being drawn up by the Delhi Development Authority in connection with the implementation of the Master Plan for Delhi.
Himachal Pradesh	Work is in progress in 7 villages and completed in 1 village.
Manipur	This programme has not been taken up.
Tripura	25 K.M. of streets have been sanctioned and 22 K.M. of streets have been completed.
A&N Islands	The progress is nil.
Laccadive etc.	Since the houses in the islands are scattered, they have no scheme for want of necessity.
N.E.F.A.	The Village Housing Projects Scheme is not being implemented.
Pondicherry	Provision of roads and drains are contemplated.
Goa, Daman and Diu	The Village Housing Projects Scheme is not being implemented.

It is obvious that no significant progress has been made by the State Governments/Union Territories in this direction.

During their visit to the Mundka and Bhorgarh villages in the Union Territory of Delhi in November, 1966, the Committee saw that even the new houses, do not have proper arrangement for sanitation or drainage. Drainage has been provided in a part of the village but it has not been properly laid out. Moreover the arrangement for keeping it clean are far from adequate.

During evidence the Committee have been informed that although the State Governments were informed in 1962 that Centre would give them outright grants for improvement of streets and drains, but unfortunately the State Governments had not taken advantage of this scheme.

The Committee regret to observe that there has been very slow progress in bringing about improvements in the laying of streets

and drains in the villages by any of the States although the need for such improvements was stressed on the State Governments in September, 1962 and funds therefor were made available to them as outright grant from the Centre. This is yet another instance of lack of interest on the part of the authorities concerned to effect improvements in this vital matter. The Committee cannot over-emphasise the importance of sanitation and environmental hygiene in the villages which is of prime importance to bring about real improvements in the living conditions of the villagers. The Committee urge that utmost attention should be paid to this aspect otherwise the construction of new houses and improvement to the old houses envisaged under the scheme would have little meaning.

IV

HOUSE SITES FOR LANDLESS AGRICULTURAL WORKERS AND SCHEDULED CASTES/TRIBES

A. House Sites for Landless Agricultural Workers

23. The Committee have been informed that the provision of house sites for landless agricultural workers has been generally regarded as an obligation of the village community. The Third Five Year Plan considered it essential that priority should be given to the provision of land for landless agricultural workers and suggested that waste lands and Bhoodan lands should be used for this purpose to the extent possible. While emphasising the obligation of the village community in the matter, the Plan also recognised that in congested villages, it may be necessary to supplement its contribution through acquisition of additional land for house sites. It was decided that this may be done as a part of the programme under the Village Housing Projects Scheme. The scheme was, accordingly, modified in September, 1962. The State Governments were permitted to utilise about one-third of their annual allocations under the scheme, as Central grant for this purpose for acquiring or enabling the Village Panchayats and Panchayat Samities to acquire additional land to be made available as house sites for landless agricultural workers.

The State Governments were advised that the following considerations should be kept in view in this regard:

1. Wherever possible, suitable waste lands and Bhoodan lands are used to the maximum extent.
2. Preference should be given to—
 - (a) Villages selected for development under the Village Housing Projects Scheme and having already a comprehensive housing programme in hand,
 - (b) congested villages, and
 - (c) the villages in which landless agricultural workers form a fairly large part of the population.

3. The labour required for development of the land acquired should be provided by the beneficiaries themselves on a voluntary basis.
4. The area of the house-site should not ordinarily exceed 200 sq. yds.
5. Only one house-site should be allotted per family.

It has also been provided that a modest portion of the cost of the house-sites, say 20 per cent to 25 per cent should be recovered from the beneficiaries in instalments, which may be fixed by the State Governments in the context of the situation prevailing in the villages of the respective states. These recoveries, to be effected through Panchayats, may be retained by the Panchayats for the improvement of the sanitation and environmental hygiene of the villages concerned.

It has been stated that actual implementation of the programme has not yet been taken up by many States and consequently no targets have been laid down by them. However, the Governments of Bihar, Gujarat, Kerala and Mysore have initiated the programme. A summary of the replies received from the various States in this regard, as furnished by the Ministry of Works, Housing and Supply, is given at Appendix III.

In this connection, the Sub-Group on Rural Housing for the Fourth Plan has observed as follows:

“The living conditions of the landless agricultural workers are particularly deplorable and need special attention. An amount of Rs. 5 crores, out of the total outlay of Rs. 12.7 crores for the Village Housing Projects Scheme in the Third Plan, is earmarked for provision of house sites to this under-privileged section of the rural population, wherever this cannot be done through land-reform legislation or by making use of the waste lands and bhoodans lands already available with Panchayats. The entire expenditure on this programme is to be borne by Government of India as grant to the States. In September, 1962, the State Governments were advised to draw up their own programmes for provision of these sites, which could be readily implemented through the Panchayat Samitis and Village Panchayats.

The Sub-Group considers it essential that the State Government should tackle this problem on a priority basis, as an important social measure. In the case of congested villages in which no waste-lands are available near the existing *abadis*, efforts should be made to shift the landless agricultural workers to vacant lands that might be available at a short distance away from the village, but in that case, the requisite civic amenities such as streets, drains and drinking water wells should be provided with the assistance available in the Block budgets and Rural Works Programmes etc.

For the reason that the scope of this programme for provision of house sites to landless agricultural workers is not confined to the villages selected under the village Housing Project Scheme, the Sub-Group is of the opinion that this programme should be treated as an independent scheme with separate funds specifically earmarked for it during the Fourth Plan period. However, in selection of villages for implementation of this programme, priority should *inter-alia* be given, as at present, to villages taken up for development under the Village Housing Projects Scheme."

Asked whether it is proposed to make it a separate scheme, the Committee have been informed during evidence by the representative of the Ministry of Works, Housing and Supply that "We have not thought of making it a separate scheme for the reason that the village housing projects scheme is not very popular. Even this scheme which involves outright grant has not been taken up by State Governments with much enthusiasm".

About the measures taken to speed up the progress, it has been stated "...we are constantly pressing upon the State Governments to take upon themselves the programme. We have told them that we would be giving cent per cent grant. But the difficulty is that this money has also to come from the provision for village housing. So this is dependent on making suitable provision for village housing scheme, out of which they can utilise 50 per cent for this purpose."

The Committee are unhappy to observe that there has practically been no progress in providing house sites for landless agricultural workers in the villages although this scheme was introduced about 5 years ago in 1962. It is regrettable that none of the States

and Union Territories have taken up the scheme seriously. While no action has been taken to introduce the scheme by the majority of the States, the progress in the four States which are implementing the scheme, is far from satisfactory. The Committee are distressed at the apathy of the State Governments in this vital matter. It is well known that the living condition of the landless agricultural workers in the villages is deplorable and can only be improved by constant, continuous and sympathetic endeavours by Government and the village communities. The Committee urge that earnest efforts should be made by Government to tackle this problem on a priority basis as a social measure of vital importance to the village community. They suggest that this programme should be made into a separate scheme. The Committee hope that necessary action will be taken by Government in this regard and that the progress in the implementation of the scheme would be closely watched by means of periodical progress reports.

B. House Sites for Scheduled Castes/Tribes

24. The Committee have been informed that the Department of Social Security are responsible for the housing scheme for the welfare of Scheduled Castes and Scheduled Tribes under the Backward Classes Sector. A comprehensive note on the subject, together with a statement giving details of the financial and physical targets proposed and achieved during the Third Plan period, furnished by the Department of Social Welfare is reproduced in Appendix IV.

The Housing Scheme for Scheduled Castes/Scheduled Tribes which provides for giving grants etc., is being administered by the Department of Social Security under their programme for welfare of Backward Classes. The Village Housing Projects Scheme administered by the Ministry of Works, Housing and Supply is applicable to all eligible members of the public, including the Scheduled Castes etc. Both these schemes are implemented through the State Governments. In order to ensure proper coordination and to see that there is no overlapping or infructuous duplication, the State Governments are required to set up inter-departmental committees at the State level which are to function under the chairmanship of the Development Commissioner and consist of the Secretary of the Department dealing with implementation of the Scheme, Head of the State Rural Housing Cell and such Departments of the State Government as deal with Health, Industries, Agriculture, Panchayats, Social Welfare etc. The Committee at the district levels, are to

consist of the District Collector as Chairman and District Head of Departments as Members.

The pattern of financial assistance for this Scheme is common for both the State and Central sector programmes. Keeping in view the present rise in the cost of building materials and labour charges, the ceiling cost per house has been increased from Rs. 1,000 to Rs. 1,200. The State Governments may, however, at their discretion, raise the ceiling cost to Rs. 1,600 per house in special cases such as black cotton soil areas, hilly regions and remote places. In the case of snow bound areas, it has been fixed at Rs. 2,000 to meet the cost of superior specifications to withstand the heavy snowfall. In the case of Central sector programme, 75 per cent of the ceiling cost is borne by the Government of India as subsidy and in the case of State sector programme 50 per cent of the ceiling cost is borne by the Government of India and the State Government concerned in the ratio of 50 : 50. The remaining 25 per cent of the ceiling cost is to be borne by the beneficiary concerned either in the form of cash or building material or voluntary labour.

C. Financial Provisions under Plans

25. The under-noted table indicates the amount allotted and actually spent on the working of the scheme by the Department of Social Welfare:

	Amount allotted	Amount actually spent	Shortfall	Percentage of 2 to 1
	1	2	3	4
	(Rs. in lakhs)			
First Plan	12	10	2	83.33
Second Plan	605	500	105	82.64
Third Plan	534	400	134	74.90

The progress of the scheme in the Central Sector during Third Plan is shown in Appendix V.

Regarding shortfall in utilisation of the allocation for housing programme for Scheduled Castes/Tribes, the Committee have been informed during evidence that "...we started special programmes only during the Second Plan period. In the First Plan what we did was quite negligible. Now the priorities are going on changing....In our schemes, first comes education. Whatever money is required for education we provide that; educational schemes have made very good progress. But it is not possible to stop or slow them in mid-stream." It has been added that "We split up the allocation into three groups—education, economic development and then comes health and housing and other schemes." The Committee have also been informed that "in the Second Plan the allotment was Rs. 605 lakhs. Out of this, expenditure was Rs. 500 lakhs. In the Third Plan, the allotment was less than what it was in the Second Plan. It was only Rs. 534 lakhs and against this, the expenditure figures that have so far come to us also indicate roughly Rs. 400 lakhs. In the Third Plan housing programme for Scheduled Tribes was dropped. It was limited to the Scheduled Castes only."

In regard to the reasons for the shortfalls, the Committee have further been informed that "In the scheme of priorities and cuts that have been imposed, usually the backward classes sector gets the biggest cut and also within the backward classes sector, the least priority is for housing schemes. In the outline of the Fourth Plan, a centrally sponsored provision of Rs. 90 crores has been proposed for all schemes for the Scheduled Castes and Scheduled Tribes."

The Committee have been informed in a written note that "In the Fourth Five Year Plan, it has been recommended by the panel on the Welfare of Backward Classes that a coordinated programme should be drawn up by pooling the outlays available in the Fourth Plan under the Village Housing Projects Scheme of the Ministry of Works, Housing & Supply with that available under the scheme for the housing of Harijans and other backward classes at the State level. It has also been suggested by them that during the year 1966-67, a start could be made on a pilot basis with a limited programme of rural-cum-Harijan housing on the lines indicated below:

- (i) Villages in which there is a congestion on account of rise in population or new economic activity, should be chosen for extension and improving the village *abadis*.
- (ii) Provision for the welfare of backward classes could be primarily utilised to enable Panchayats to acquire and develop village sites and the funds from the rural housing

scheme could be utilised for the construction of houses and other structures. Harijans and other backward classes should be given suitable subsidies both for house sites and for the construction of houses; other sections of the village community could be given loans to cover the cost of house sites and houses.

- (iii) At the Centre, on behalf of all the interested agencies, the Works and Housing Ministry should assume responsibility for overall coordination and supervision of the programme. This could be done through the proposed Central Housing Board. At the State level, the State Housing Boards, in cooperation with the Departments dealing with Harijan Welfare, Community Development etc., should assume the promotional role. Each State Housing Board should have a Rural Housing Wing in order to help in planning the layout of new or extended village *abadis*, designing of homesteads and work places and for giving the necessary technical assistance. The existing rural housing cells could be merged in this Wing. At the Block level, Panchayat Raj Institutions could help in acquiring land at regulated rates and making it available for development and construction.
- (iv) Wherever land consolidation is undertaken, suitable land could be set apart for such extended and improved *abadis*. These *abadis* should not only provide for homesteads but also for suitable work places for occupation such as flaying, tanning and leather work, animal husbandry etc. Subsidiary industries like poultry, growing of fruit trees should be facilitated.
- (v) The Department of Cooperation should promote in and around the chosen villages, brick-kilns and work shops for manufacturing building accessories on a cooperative basis.
- (vi) The Department of Health should give special attention to these villages for supply of drinking water and sanitary facilities."

The Working Group on the Welfare of Backward Classes in their interim report of the Fourth Plan have emphasised that:

- (1) The improvement of public health and housing in Indian villages should be viewed from the angle of integral planning of village allotments and habitations. For example,

colonisation of landless labourers should have remunerative employment available for them near about the site throughout the year.

- (2) The benefit of assistance for house sites and housing should go to the poorest among the Scheduled Castes and the Scheduled Tribes.
- (3) As far as possible, assistance should be given to groups of families who are willing to come together either in the form of cooperative or otherwise.
- (4) While encouraging construction of housing colonies, full care should be taken to ensure that this does not perpetuate segregation.

The Committee are in agreement with the views expressed by the Working Group. They feel that the scheme for providing house sites and housing colonies to the Scheduled Castes and Scheduled Tribes should be viewed from the overall angle of improving the living conditions of the village community as a whole, and should receive more energetic attention.

The Committee suggest that keeping in view the important role played by landless Scheduled Castes and Scheduled Tribes in agricultural production, Government should use the influence of social and local institutions such as Panchayats for improving the housing conditions of these backward classes of the community. The Committee have no doubt that if 75 per cent of subsidy being paid for housing of Scheduled Castes and Scheduled Tribes is well publicised and used, significant progress can be made in ameliorating the housing conditions of these backward sections of the community.

GRANT OF LOANS UNDER THE VILLAGE HOUSING PROJECTS SCHEME

Procedure for grants of loan:

26. Procedure for the grant of loans under the Village Housing Projects Scheme is as under:

The Government of India advance loans to the State Governments at the usual rate of interest (which is liable to vary from year to year), repayable in 20 annual equated instalments of principal and interest. The State Governments in turn advance loans to eligible villagers or their cooperatives for the purpose of construction of houses. To cover their administrative expenditure, the State Governments are permitted to charge from the beneficiaries an extra $\frac{1}{2}$ per cent over the interest payable by them to the Government of India. Originally in the First Five Year Plan an expenditure of about Rs. 200—300 was assumed for the construction of a house in rural area built with villagers' own labour; but with the implementation of the scheme individual beneficiaries were entitled to loan assistance upto 50 per cent of the cost of construction, subject to a maximum of Rs. 1,500 only for a house. In the Second Five Year Plan the financial assistance for construction/improvement of houses in the shape of 20 years loans, at the usual rate of interest was increased to the extent of $66 \frac{2}{3}$ per cent of the cost of Rs. 2,000 per house whichever is less. But this limit has been subsequently raised to 80 per cent of the cost of construction subject to a maximum of Rs. 3,000.

Loans for improvement of houses:

27. The Committee have been informed that there is no separate scheme for grant of loans to weaker sections of the rural community under this scheme. As a general policy, the States are expected to give preference to the weaker sections while sanctioning such loans; the Governments of Maharashtra, Punjab and West Bengal have issued such instructions to their local authorities. The Government of Punjab reserve 50 per cent of the allocations for grant of loans to the Scheduled Castes and Tribes. The Government of Maharashtra and West Bengal have relaxed security conditions for grant of loans to the weaker sections.

The Village Housing Projects Scheme, however, permits the States to utilise upto 20 per cent of their annual allocations under the Scheme, for granting loans to villagers for improvement of their houses. The quantum of loan is limited to a maximum of Rs. 3,000 per house. Improvements may include enlargement of living accommodation, construction of kitchen, store, cattle shed, latrine, reflooring, reroofing and provision of doors, windows and ventilators.

Rate of Interest:

28. As already stated, Government of India grant loans to the State Governments at usual rate of interest. The State Governments charge $\frac{1}{2}$ per cent above the rate of interest at which Government of India grants them loans from the applicants in order to cover administrative expenditure.

With the general increase in the rates of interest on Central Government loans, with effect from December, 1962, the rate of interest on loans under Village Housing Projects Scheme has gone up from $4\frac{1}{2}$ per cent to $5\frac{1}{4}$ per cent. The rate at which State Governments in turn advance loans to beneficiaries are shown in Appendix VI.

Procedure and Conditions to be fulfilled by Applicants for loans:

29. State Governments utilise the major part of the advances received by them from the Government of India, in granting loans at their discretion to the residents of selected villages or cooperatives of such persons for building of houses on an aided self-help basis. The following conditions are to be fulfilled by the applicants for grant of loans under the Scheme:

- (i) Applicants must be bona fide residents of the village in which the scheme is being implemented. They should be able and willing to contribute from their own resources at least 20 per cent of the cost of construction (inclusive of cost of land where this is admissible.)

Their contribution may be in cash or in the shape of building materials or the labour of themselves and members of their families.

- (ii) Applicants should be willing to mortgage the land and the house to the State Government or to give some other forms of security acceptable to the State Government, until the loan with interest due is repaid in full.

- (iii) Applicants should be willing to build their houses generally in accordance with the layouts, plans and specifications prescribed by the State Government, with such modifications in plans of houses and their specifications as may be necessary to suit individual requirements.

The Committee have been informed that cooperation of the villagers is lacking for taking loans for construction of houses because they have an apathy for a loan scheme where mortgaging of their property is involved. Besides, by taking a house loan the villager seems to have a feeling that his prestige has been lowered in the estimation of his co-villagers. The villagers are not readily agreeable to adopt the building plan prepared by the Housing Department. The non-availability of building materials at fair price and when needed is another difficulty. Besides the procedure for obtaining loan by an individual villager is rather cumbersome and protracted as the loanee has to go through a number of formalities such as obtaining rent receipts, non-encumbrance certificates, title deed, building plan, site plan, etc.

During their visit to Mundka and Bhorgarh villages near Delhi, the Committee were also informed by the beneficiaries that formalities connected with the procurement of the loans are time-consuming and require several visits to the Capital. The villagers desired that instead of one week notice, at least, one month's notice, should be given to them for the payment of instalment of loans taken by them under the Village Housing Projects Scheme. They also desired that recoveries of instalments should be made in May/June, just after the harvesting season when the farmers have some ready cash money for such payments.

Recovery of Loans:

30. The Committee have been informed that it is the responsibility of State Governments to recover all loans granted under the Scheme in 20 annual equated instalments, the first instalment becoming due 18 months after the date on which the first instalment of loan is disbursed to the individual. The borrowers may, if they so desire, repay the loans in any period shorter than 20 years.

Asked whether any watch on the recovery of the instalments of loan due under this Scheme is kept by the Ministry of Works, Housing and Supply the Committee have been informed through a written note that "The loans advanced by the Central Government to the States under the Village Housing Projects Scheme are recovered by the State Accountants General on the due dates. As regards the recovery of instalments of loans from individual loanees under the

Scheme, the State Governments/Union Territory Administrations have laid down detailed rules and it is their responsibility to make the recoveries. The Ministry of Works, Housing and Supply do not keep a watch on the recovery of the instalments from individuals. In the circumstances, this Ministry have no information regarding the amounts of loans due from the defaulting parties as on the 31st March, 1966."

The Committee note that there is a general lack of response to the taking of loans by the villagers under this scheme. This is partly due to the poor economic conditions of the villagers but mostly due to the various procedural difficulties in obtaining sanction for the loans or effecting its repayment in instalments by the loanees. The Committee suggest that the present rules for the grant of loans to the villagers under this Scheme should be reviewed and amended where necessary, to suit the economic conditions of the villagers. The Committee, in particular, would suggest that the question of simplifying the procedures for the grant of loan, eliminating scope for harrassment of the loanee by the disbursing officials, increasing the number of instalments for its repayment, changing the time of repayment to coincide with the harvesting season and the granting of concession in the interest rate may be given serious consideration. In this connection the Committee would like to emphasise that there should be no relaxation in the recovery of loans as they apprehend that once the dues are allowed to remain outstanding, it may become rather difficult to enforce recovery later on. The Committee would also like to stress that to enable the villagers to maintain their houses in good conditions and to repay loans, it is necessary that there is general improvement in their economic conditions. This could be brought about by providing them the means to increase agricultural production as well as employment opportunities locally. The Committee therefore recommend that along with the schemes for improving the housing conditions of the villagers, effective measures should be taken simultaneously to uplift their general economic conditions by initiating suitable agro-industrial programmes to enable them to take advantage of such schemes in increasing numbers.

VI

RURAL HOUSING CELLS

A. Rural Housing Cell at the Centre

31. The Committee have been informed that a Central Rural Housing Cell was set up in 1953 in the Ministry of Works and Housing whose primary function was to advise the Ministry of Works, Housing and Supply on the economic and technical aspects of rural housing.

In the beginning the Central Rural Housing Cell was only a very small unit, consisting of 1 Assistant Engineer, 1 Assistant Architect and 1 Senior Draftsman, functioning under the administrative control of the Housing Adviser. With the introduction of the Village Housing Projects Scheme in 1957, the State Governments were asked to set up their own State Rural Housing Cells. The Central Cell was expected to coordinate the activities of the State Cells and to help them in solving their problems relating to technical aspects of village planning and rural housing i.e. matters connected with conduct of engineering surveys, preparation of layout plans, model designs, specifications, estimates, use of building materials etc.

Consultation between officials of States and Centre

It has been stated that although there were constant consultations by officials of the State Governments with the Central officials, especially during the initial stages of the introduction of the Village Housing Projects Scheme, the demand for the services of the Central Cell gradually decreased during the Third Plan period, as the State Cells gained more experience. During this period, however, the Cell was engaged in the preparation of the Rural Housing Manual. In this publication, which is a revised edition of the Draft Manual on Rural Housing, considerable new material was added and the old material was also reviewed and revised on the basis of the experience gained as a result of the problems faced by the various States. A Hindi version of the Manual was also prepared. The Cell also helped the National Buildings Organisation in the preparation of "A Hand book on Rural Housing and Planning". Lastly, the Cell participated in the Indian Industries Fair, 1961 in collaboration with the National Buildings Organisation. With the decrease in its load of work, the Cell was wound up in stages. In April, 1962, the post

of Assistant Engineer was abolished in July, 1964, the post of Senior Draftsman was surrendered, in December, 1965, the post of Assistant Architect was reduced and the cell closed. The total expenditure on the Rural Housing Cell during the Third Five Year Plan was about Rs. 73,000.

B. Rural Housing Cells in States

32. The Village Housing Projects Scheme envisages the setting up of 'Rural Housing Cells' at the Headquarters of State Governments, under a senior technical officer (ordinarily not lower in rank than a Superintending Engineer).

In his inaugural address at the Seminar on Village Housing held at Mussoorie, Shri K. C. Reddy, the then Union Minister for Works, Housing and Supply observed on 27th June, 1958 that:

"The houses to be built in the villages selected for the location of village housing projects must obviously be designed on a very modest scale so as to set standards consistent with the level of income of the greater part of the community. What is essential is that the structures should be functionally and structurally sound, avoid unnecessary ornamentation, and should generally be such as to harmonise with their surroundings. The key-note in designing these houses should be utility coupled with economy and ease of construction. Adequate attention must also be paid to environmental hygiene so that the houses have proper ventilation, adequate and suitable storage space for grain and fodder, smokeless kitchens, sanitary latrines, etc. The Rural Housing Cells of the various States will have to evolve suitable type designs for the houses which would provide for these basic requirements, and would also take into account relevant local factors such as climate, living habits, customs etc. you would no doubt, consider as to how our cells could be equipped to render this service adequate."

He added that:

"Provision of adequate technical guidance to house builders is of prime importance. So far as preparation of village layouts and type designs of houses, community buildings etc. is concerned, it will be arranged by the State Rural Housing Cells. Guidance in the course of construction will also be necessary for ensuring sound construction and avoiding the adoption of wasteful methods and techniques. The

guidance will have to be provided by the Block overseer who should be able to do so at least in the initial stages—as construction of houses will be confined to one group of 5-6 adjoining villages in each Block. As the work develops, however, it may become necessary to augment suitably the technical staff in the field so that adequate guidance is available to house builders and that other civil workers in progress in the Block concerned do not suffer for lack of supervision. The staff of the State Rural Housing Cells may also have to visit the different housing projects from time to time to see whether the layouts and plans etc. prepared by them are being executed on proper lines, and that any difficult technical problems arising during the course of implementation are satisfactorily solved without any delay.”

Functions:

The functions of the State Rural Housing Cells have been laid down as under:

- (i) to draw up layout plans for selected villages (which should be prepared in consultation with the Village Panchayat) after carrying out such physical and socio-economic surveys as may be necessary. Layouts should be simple but appropriate, and should preserve as far as possible existing pucca houses, trees and wells;
- (ii) to prepare suitable designs and specifications for houses with due regard to local conditions. Locally available materials should be used to the maximum extent. Houses should be designed on a very modest scale so as to set standards consistent with the stage of growth of the rural economy and the level of incomes over a greater part of the community. Ordinarily, however, the floor area of a house should not be less than 300 sq. ft.;
- (iii) to provide overall technical guidance to local authorities in execution of projects under the Scheme. Adequate attention should be given to providing roads, drainage, sanitation, drinking water supply and community facilities;
- (iv) to generally ensure that the money available for the project is properly spent.

C. Composition of Rural Housing Cell

33. The composition of State Rural Housing Cell is generally stated to be as under:

Superintending Engineer	. . . . .	1
Assistant Engineers	. . . . .	2
Assistant Architect (or Asstt. Town Planner)	. . . . .	1
Overseers /Surveyors	. . . . .	6
Architectural Draftsman	. . . . .	1
Stenographer	. . . . .	1
Upper Division Clerk	. . . . .	1
Lower Division	. . . . .	1
Peons	. . . . .	3

In the case of States with comparatively larger rural population, an Executive Engineer may also be necessary in addition to the staff mentioned above. As the requirements are bound to vary from State to State, each State Government need not necessarily employ exactly the same staff as detailed above. It is open to the State Governments to modify the composition of the Cell to suit their requirements. As a rule these Cells should work under the control and guidance of a whole-time officer not lower in rank than a Superintending Engineer, with a view to ensuring that the technical advice and guidance made available by these cells is sound, and of real assistance to local officials actually incharge of handling the various village housing projects.

D. Expenditure on the Cells

34. Government of India provide 50 per cent of the expenditure on the salary and allowances (including travelling allowance) of the staff actually employed in these Cells subject to the following maxima:

States	Maximum Central Assis- tance per year
1. States with a Second Plan allocation of villages not exceeding 200	Rs. 35,000/-
2. States with a Second Plan allocation of villages from 201 to 450	Rs. 40,000/-
3. States with a Second Plan allocation of villages exceeding 450	Rs. 50,000/-

The above amounts are provided in the form of grants which may be drawn by State Governments from Government of India annually.

E. Establishment of Rural Housing Cells in States

35. The Rural Housing Cells are stated to have been set up in all the States during the period from 1958 to 1960 (except in Jammu and Kashmir, Gujarat and Nagaland). The details are given at Appendix VII.

It will be seen that there are wide disparities in regard to the work done by the Rural Housing Cells in different States in the matter of:

- (i) Socio-economic and technical surveys.
- (ii) Preparation of layout and Master Plan.
- (iii) Preparation of designs for rural houses.

F. Socio-economic and Technical Surveys

The number of villages in which socio-economic and technical surveys have been conducted has ranged from 700 in the case of Madras to 70 only in the case of Bihar. Similarly while the number of villages for which layout and Master Plans have been prepared is 803 in the case of U.P. and 16 in Assam and 19 in Haryana. The number of designs of rural houses prepared has also ranged from 6 in the case of Bihar to 222 in Madhya Pradesh.

Regarding socio-economic surveys done in the States, the Committee have been informed during evidence by the representative of the Ministry that "We have been taking stock of the progress made in that direction . . . Our officers have been going round States and pressing them to go ahead with the programme more expeditiously. In fact we have been taking steps to accelerate progress. Probably the villagers have their own apathy which causes some delay."

G. Type designs of Houses

Regarding the type designs of houses prepared by the State Rural Housing Cells the Committee are not aware as to what extent the type designs have been actually adopted by the villagers for construction of their houses. During their visit to the two villages, viz.

Mundka and Bhorgarh in the Union Territory of Delhi, during November, 1966, the Committee however noted that generally the houses constructed under this Scheme were of the old type except for a few minor improvements here and there towards making the house stronger, without any improvement in hygienic conditions. The Committee did not find any arrangement for lavatory or latrine or even urinal. Further, they found both men and cattle living under the same roof.

The Committee are not happy at the performance of the State Rural Housing Cells. They consider that greater attention should have been paid by these Cells to the conducting of socio-economic and technical surveys of the villages and preparing type designs of houses for the various categories of village inhabitants. The Committee consider that unless it is ensured that new houses constructed under the Scheme conform broadly to the type designs, it is likely that the old style of houses would continue to be constructed even under this Scheme, thereby perpetuating the unhygienic and insanitary conditions in the villages. The Committee suggest that the working of the State Rural Housing Cells should be reviewed with a view to improve their working.

VII

RESEARCH-CUM-TRAINING CENTRES

In October 1958, Government of India decided to set up six research-cum-training Centres under the Village Housing Project Scheme.

It has been stated that "Research and training are essential to the success of a Rural Housing Programme. The technical education and training of Assistant Engineers, Architects and Overseers, who will have to execute the various village housing projects, is confined almost entirely to planning and construction of buildings in the urban areas they do not have at present an adequate background of the housing needs and requirements in the rural areas of our country, nor do they have any experience or training in the use of indigenous building materials, readily available in the different regions of the country. It will accordingly be necessary to give a rural orientation to the staff proposed to be employed in the Rural Housing Cells to be set up by the State Governments, as well as to the concerned field staff. As such, all possible emphasis has to be laid on the method of 'aided-self-help' and use of building materials locally available in the different areas—cutting out almost completely the use of expensive and scarce materials like cement. Adequate attention must, therefore, also be laid to improving the locally available building materials and developing better methods of utilisation and construction with a view to reducing costs, increasing the life of houses and providing better living comforts. The Government of India accordingly set up a few research-cum-training centres under the Ministry of Works, Housing and Supply to ensure that the technical staff concerned is in a position to perform its functions satisfactorily and that the villager is enabled to use appropriate building materials correctly after improving them suitably and having regard to climatic and other factors".

A. Location of Centres

The following six Research-cum-Training Centres were set up in 1959, in different regions.

Place of Centre (1)	Area to be covered (2)
(i) College of Engineering, Bangalore, (Mysore University)	Madras, Mysore, Kerala and Andhra Pradesh.

1	2
(ii) Birla Vishwakarma Mahavidyalaya, Vallabh Nagar, Anand (Gujrat).	Maharashtra, Gujrat, and Madhya Pradesh.
(iii) West Bengal College of Engineering, Sibpur (Howrah).	West Bengal, Assam and Orissa.
(iv) University of Roorkee.	U.P. and Bihar.
(v) School of Town and Country Planning, New Delhi.	Rajasthan & Delhi.
(vi) Government Engineering College, Chandigarh.	Punjab, Jammu and Kashmir and Himachal Pradesh.

These Research-cum-Training Centres were set up on regional basis and were attached to the existing engineering institutions in the various parts of the country where qualified personnel and equipment were readily available for this purpose.

Functions of Centres

The following are stated to be the functions of these centres:—

- (i) To promote research on use of local building materials, construction techniques and designing of Village houses.
- (ii) To propagate the use of improved materials and techniques.
- (iii) To construct research-cum-demonstration houses.
- (iv) To train and orientate the technical personnel employed on the Planning and execution of projects under the Village Housing Projects Scheme.

These centres function under the overall guidance of the National Buildings Organisation, which is responsible for making appropriate arrangements for coordinating their activities so as to avoid any duplication of effort.

The Committee have been informed that the Centre situated at Roorkee has been closed with effect from 1-4-1966.

Expenditure and Achievements.

37. The expenditure on these six centres since their establishment is shown below:

Details of expenditure and achievement of the Rural Research-cum-Training Centres

S. No.	Name of the Centre	Expenditure from Govt. of India						Total expenditure during the Third Plan	
		1959-60	1960-61	1961-62	1962-63	1963-64	1964-65		1965-66
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Howrah (Bengal)			28365	37974	43700	57949	61000	228974
2	Chandigarh (Punjab)			56656	52923	28551	67163	61004	266297
3	Bangalore (Mysore)			43766	61743	62791	61647	61747	291694
4	Roorkee *(Uttar Pradesh)			63012	58615	58600	59468	60758	300453
5	Vallabh Vidyanagar Anand (Gujarat)			62972	69444	65123	63437	66521	327497
6	New Delhi			52996	60864	71500	59207	71710	316277
	TOTAL	+ 3,20,000	+ 4,03,000	307753	341563	330265	368871	382740	1731192

* Closed with effect from 1st April, 1966 and its function entrusted to Delhi Centre.

+ Centre-wise expenditure is not available.

Training Capacity of Centres

38. Regarding the training capacity of these centres, the Committee have been informed that each Centre annually conducts two courses of two or three months duration for overseers and junior engineers. In addition, these centres arrange orientation courses of shorter duration (for a fortnight or so) for Block Development Officers as and when sufficient number of such officers can be spared for training.

The authorised training capacity of the course for overseers and junior engineers in each Centre is 30. The year-wise utilisation of training capacity is given in the following table:

Year	Authorised capacity of the six Centres	Overseers/ Junior engineers trained	Percentage of utilisation
1961-62	360	290	80
1962-63	360	283	78
1963-64	360	173	48
1964-65	360	158	43.6
1965-66	360	160	44.5
	1800	1063	59.00

The total number of overseers and junior engineers trained in each centre since their inception in 1959-60 is as under:

S. No.	Name of Centre	Junior Engineers/ Overseers Trained
1.	Howrah	241
2.	Chandigarh	158
3.	Bangalore	261
4.	Roorkee	182
5.	Vallabh Vidyanagar Anand	404
6.	New Delhi	160

The number of Block Development Officers trained in short-term orientation courses in each Centre, is also given below:

Name of Centre	No. of B.D.O's trained
Howrah	7
Chandigarh	64
Bangalore	50
Roorkee	54
Vallabh Vidyanagar Anand . . . . .	..
New Delhi . . . . .	..
	175

The Committee are not clear how the capacity of the six centres has been calculated as 360 when the authorised training capacity of the course for overseers and junior engineering students is 30 each and the duration of the course is only two to three months. The Committee feel that if the training capacity is put to optimum use it should be possible to arrange for at least four courses in a year for overseers and junior engineers, which would result in training of $180 \times 4 = 720$ personnel in a year. The Committee would further like to point out that even on the basis of 360 shown as the capacity for training by the Ministry, the percentage has gone down without perhaps attracting any appropriate action by the authorities. The percentage has gone down from 80 in 1961-62 to 44.5 in 1965-66. The Committee feel that if it is necessary to provide training for overseers, junior engineers and others in Rural Housing in these research-cum-training centres, then either a systematic effort should be made to put to optimum use the existing training capacity or to reduce the training facilities and training staff to accord with the realistic assessment of the requirements, so as to avoid infructuous expenditure.

There is also great disparity in the number of overseers, junior engineers trained so far by each centre. While Vallabh Vidyanagar Anand centre has imparted training to 404 overseers, the New Delhi centre has trained only 160 men so far. The Committee regret to note that out of about 5000 B.D.O's working in the country, only 175 have so far been deputed for training in spite of the fact that the D.D.O. is the king-pin for all rural development. While no B.D.O.

has so far been trained by the New Delhi and Anand Centres, only 7 have been trained by the Howrah Centre. The Committee would like Government to analyse the reasons for wide variations in utilisation of these training centres and take suitable remedial measures in consultation with State Governments/Union Territories.

B. Demonstration Houses with Ford Foundation Assistance

39. It has been stated that a sum of \$2,00,000 was placed at the disposal of Government of India by the Ford Foundation for financing the rural demonstration houses to be constructed by Rural Housing Centres during the Five Year period starting from the year 1961-62. Out of this amount the grant received so far by the Government of India is \$80,000 (i.e. Rs. 3,77,700*) only. A total amount of Rs. 2,97,458 has been sanctioned to the Wings for various demonstration projects consisting of 90 rural houses. 56 houses have since been completed and 34 houses are at various stages of construction. The details of 90 houses are given in the following statement:

Name of the Wing	Houses completed		Sanctioned Houses under construction/ to be started	
	No.	location	No.	location
1. Rural Housing Wing University of Roorkee, Roorkee.	8	Village Daulat Pur (near Roorkee)	8	Campus of Roorkee University.
2. Rural Housing Wing Birla Vishvakarma Mahavidyalaya, Vallabh Vidya Nagar, (Gujarat)	8	(1st Project) Village Khan Kuva (Gujarat)	8	Village Harsodan (M.P.)
	8	(Second Project) College Campus (Vallabh Vidya Nagar)		
3. Rural Housing Wing School of Planning and Architecture, New Delhi.	8	Village Bhawanpura (Rajasthan)		
4. Rural Housing Wing Punjab Engineering College, Chandigarh.	8	(1st Project) Village Sheikhpur (Punjab)		
	4	(Second Project) College Campus (Engineering College, Chandigarh)		
5. Rural Housing Wing College of Engineering, Bangalore.	8	Village Suradhenupura (Mysore)	4	Village Sondekuppa (Mysore)
			8	Himmyat Sagar, Hyderabad.
6. Rural Housing Wing Bengal Engineering College, Sibpur.	4	College Campus (Engineering College, Sibpur)	2	Teispur (Bhubaneswar) Orissa.
			4	Village Kalanabogram Distt. Burdwan (W. Bengal).
	56		34	
	TOTAL : 56+34 = 90			

The Committee are surprised that in the course of 5 or 6 years, the Government have spent only 40 per cent of the grant made by the Ford Foundation. They cannot but take it as indicative of the administration's lack of interest in the programme. The Committee also note that out of 90 houses proposed to be constructed only 56 have been completed so far and the rest are under way. They also note that out of 56 houses completed so far as many as 16* are located in the campus of the Engineering Colleges. The Committee are not convinced that the location of these houses in the campus area really serves the purpose of demonstration and exhortation to the villagers and would urge that the demonstration houses should be so located as to attract the imagination and interest of as large a number of villagers in the area, as possible. In the opinion of the Committee the campus of a university or an Engineering College situated in a city would not appear to be an ideal location for demonstration houses.

C. Evaluation of the Work of the Centres

40. The Committee have been informed in a written note that the work of these centres was evaluated by the Evaluation Committee which was set up by the Central Advisory Committee at its fifth meeting held in May, 1961. The Evaluation Committee visited the centres during 1961-62 and then in 1964 and submitted reports in December, 1962 and August, 1964 respectively. The Evaluation Committee found that the training imparted by the Centres to the overseers, junior engineers and Block Development Officers was very useful and constructive. It, however, felt that the response from some States in deputing their trainees was not satisfactory. The Committee found that the research experiments conducted by the Centres on the new techniques of constructing rural housing, mostly from the locally available materials, were useful.

The main recommendations of the Committee and the action taken thereon are shown below:

Sl. No.	Recommendation	Action taken
1	Regional Advisory Committees should meet twice a year in rotation at the headquarters of the various concerned States.	Accepted: The Committee now meet twice a year, as far as possible.
2	Each Centre should have a full time officer in-charge.	Accepted and implemented.

*It has been stated at the factual verification stage that "the number of houses located in Engineering College/University Campus is 17 and not 16".

Sl. No.	Recommendation	Action taken
3	A Rural Housing Division should be set up in National Buildings Organisation to control and coordinate the activities of the Centres.	The Central Advisory Committee suggested instead the creation of a post of Deputy Director for Rural Housing in the National Buildings Organisation. The Government was unable to accept this for economy reasons.
4	If poor response of the States in deputing trainees continues, the number of training courses should be reduced.	There has been some improvement in the position as a result of approaches made to the States by the National Buildings Organisation and the Ministry of Works, Housing & Supply.
5	The Centres which have not yet started short orientation courses and seminars for the Block Development Officers should start them now.	The Centres were advised accordingly.
6	The research experience of each Centre should be shared among all of them.	Accepted and implemented.
7	The Centres should take interest in the actual work done in villages by the Rural Housing Cells of the State Governments to ensure that its advice is adopted by the Cells.	The Centres were advised accordingly.
8	The Howrah Centre should be closed after 31-3-1965 unless it shows definite improvement in research etc.	The matter was considered in detail by the Evaluation Committee in its meeting held on 29th Jan., 1965 and in view of the steps taken by the Centre, it was allowed to continue.
9	The diagnostic surveys carried out by the Bangalore Centre were useful and should be taken up by all other Centres.	Remaining Centres were advised accordingly.

The Committee note that the work of these research-cum-training centres has been evaluated twice by an Evaluation Committee. The Committee would, however, like to stress that in assessing the work

more emphasis should have been laid on the tangible results achieved by these centres, particularly the extent to which the results of their research have been applied in actual practice in the villages. The Committee have no doubt that these centres can do a great deal in evolving standards and specifications using local material and consistent with the level of income of the villagers as well as in educating them to construct low-cost houses. They hope that greater emphasis would be laid on the actual application of results of research and the methods and specification evolved by these centre for cheaper construction in future.

D. Cost Reduction

41. The Committee have been informed in a written note by the Ministry of Works, Housing and Supply that "the National Buildings Organisation is trying to effect reduction in building costs by rationalisation of designs to regulate sizes of rooms, thickness of walls, window areas and ceiling heights, economy in the use of cement and steel, use of perforated bricks, cellular concrete blocks, industrial wastes like fly ash and asphalt and local building materials, etc." It has been added that "most of these measures are applicable more to urban than to rural housing." The Village Housing Projects Scheme envisages the construction of only cheap houses, costing about Rs. 3000 to 4000. The scope for reduction of building costs, under the scheme, is therefore limited. The Rural Housing Research-cum-Training Centres set up in the various parts of India have, under the general guidance of the National Buildings Organisation constructed 56 rural demonstration houses based on different specifications to suit varying regional conditions while another 34 houses are under various stages of construction. The actual cost of these demonstration houses ranges between Rs. 3,600 to Rs. 3,700 per unit excluding cost of land.

It has been added by the Ministry that it is difficult to ascertain and assess the extent of reduction in building costs actually brought about by the demonstration houses set up by Research-cum-Training Centres.

During evidence the Director of National Buildings Organisation stated that "We are intensifying our work. We have got a Building Materials Division. There we work for the development of new building materials as well as improvement of the existing building materials and we get into touch with the State Governments". He added that it was difficult to indicate the research work done by this Organisation in concrete terms. According to him "There are various

methods of disseminating technical information by organising seminars, training courses etc. We arrange for technical lectures. We have got a sort of technical documentation centre. We also do developmental work in the technical field.”

The Committee feel that the cost of construction of demonstration houses ranging between Rs. 3,600 to Rs. 3,700 per unit, excluding the cost of land, is on the high side, considering the generally poor economic conditions of our villagers. The Committee have no idea as to how the cost of these demonstration houses has been worked out or the extent to which locally available raw materials have been used in these houses. The Committee would however strongly stress that every effort should be made to bring down the cost of construction by improving the designs and by making the best use of the materials locally available.

VIII

A. Organisational set up

42. The success of any programme depends to a great extent on the adequacy and efficiency of the administrative machinery set up for its execution. This is also true in the case of Rural Housing Programme. The functions of the executive agency responsible for implementation of Rural Housing Scheme have necessarily to be both executive and educative, as they are not only to sanction and disburse house-building loans but also to propagate among the villagers the benefits of improved housing and environmental conditions as also to provide them with necessary technical guidance for this purpose.

Administrative set up for the implementation of Village Housing Projects Scheme at the Central, State and local levels is stated to be as under:

Central level.—There is a Housing Division in the Ministry of Works, Housing and Supply under the charge of an officer on Special Duty of the status of a Deputy Secretary for dealing with matters relating to the Village Housing Projects Scheme and other Social Housing Schemes. The Village Housing Projects Scheme is dealt with in one of the sections. There is a Technical Cell* also to advise on matters of a technical nature.

State level.—At State level, the Scheme is being administered by Housing Departments in eight States and by Development Departments in the rest. In order to ensure the coordinated development of villages selected under the Scheme, the State Governments are required to set up inter-departmental committees, consisting of Departments concerned with the implementation of this Scheme.

Local level.—At the local level, Scheme is being implemented through the agency of Block Development staff and Panchayati Raj institutions wherever they have been set up. On account of their close contact with the village community they are expected to play an important role under the Scheme.

*Note:—It has been stated at the factual verification stage that "The Technical Cell to render advice on matters concerning rural housing has been closed since the information was furnished to the Estimates Committee in December, 1966."

B. Administrative Expenditure

43. The administrative expenditure on the Village Housing Projects Scheme varies from state to state as shown in the Appendix VIII. In some States it is unduly high i.e. upto the extent of 71·4% (Bihar in 1963-64) and 66·6% (Assam in 1964-65) of the total outlay, while in others it is as low as 6 per cent in Kerala and 4·6 per cent in Madhya Pradesh.

When asked about the reasons of high administrative expenditure in States the Committee have been informed in a written note that—

- (i) administrative work done in popularising the Scheme is not directly reflected in the number of houses constructed;
- (ii) such functions as preparation of master plans, layouts, type-designs of houses, socio-economic and physical surveys etc. assigned to the Rural Housing Cells cannot be correlated to the achievements under the Scheme in terms of number of houses completed, or loans sanctioned;
- (iii) the Cells are also expected to render technical assistance and guidance to the local authorities and individual house-builders;
- (iv) in some States the Rural Housing Cells were given additional functions not connected with the Village Housing Projects Scheme of this Ministry, e.g., execution of the 'Build Your Own House' Scheme in flood-affected areas of West Bengal, thus increasing the percentage of administrative expenditure in relation to the outlay/expenditure under the Rural Housing Scheme."

As regards laying down of norms about the administrative expenditure it has been stated that no specific percentage of total outlay under the Scheme has been prescribed.

The Committee are not convinced by the reasons advanced by the Ministry regarding the wide variations in the administrative expenditure in the various States. The Committee would like Government to keep a careful watch on the percentage that the administrative expenditure bears to the total outlay with a view to reduce it to the minimum. The Committee think that it may be desirable to fix a definite percentage leaving some scope for some variation due to local conditions.

IX

GENERAL

A. Multiplicity of Schemes

44. The Committee understand that there are various Schemes connected with rural housing administered by various Ministries, for example:—

- (i) Scheme for the construction of houses for Backward Classes by the Department of Social Welfare.
- (ii) Assistance for housing colonies for handloom weavers administered by the Ministry of Commerce and Industry.
- (iii) Housing of landless agricultural workers financed under the Settlement Scheme of the Ministry of Food & Agriculture.
- (iv) Financing of water supply and drainage Scheme under the National Water Supply and Sanitation Programme (Rural) of the Ministry of Health.
- (v) Financing of other Community Services such as streets, community buildings etc. from the Block Budget.
- (vi) Development and promotion of village industries by Khadi and Village Industries Commission.

When asked during evidence as to how liaison between Community Projects Administration and the Department of Social Welfare is being maintained, the representative of the Department of Community Development stated that "There is no regular coordination committee at the Central level for coordinating programmes between the Community Development and the Welfare of Scheduled Castes and Scheduled Tribes. But in the actual working of the programmes, since the whole thing becomes part of the frame-work of Panchayati Raj, it is executed through Blocks." It was added that "We have a coordination committee with the Ministry of Works, Housing and Supply but unfortunately that Committee met only once. I think in November, 1964 and they discussed mostly about rural housing co-operatives."

The Committee have been informed in a written note that "there is no coordination Committee between the Department of Community Development and Department of Social Welfare". It has further been stated that there is no direct liaison at the Central level between the Community Projects Administration and the Department of Social Welfare specifically in the implementation of housing schemes under the Backward Classes sector. These housing schemes are implemented by the Backward Classes Departments of the State Governments in close liaison with the Community Projects Administration at the State level. No Co-ordination Committee was set up at the Centre for this purpose.

The Working Group on Housing and Urban and Rural Planning for the Fourth Five-year Plan in their Report have recommended that a Central Housing Board/Finance Corporation should also be set up in the near future, in order to coordinate and support the activities of its counter-parts in the states, on the analogy of Industrial Finance Corporation, which had been set up both at the Centre and in the States.

The Committee are unhappy to note that there does not exist any effective coordination amongst the various Ministries *viz* Works, Housing and Supply, Food and Agriculture, Community Development, Health and Social Welfare in the matters of implementation of programmes of Rural Housing. The Committee cannot overstress the need for close liaison among these Ministries. The Government may also consider the desirability of setting up a Central Housing Board with a separate division for Rural-Housing to coordinate and handle the various housing schemes in the rural areas.

B. Integrated Development of Rural Areas

45. The Rural Housing Programme has necessarily to be treated as an integral part of all round economic development of the area in which the housing programmes are undertaken, so that the villagers are able to maintain their houses and repay without hardship the loans taken by them for rebuilding their houses. Considerable attention will accordingly have to be paid to the development of village industries. Attention will have to be focussed in particular on the production, where possible, of the essential building materials which, apart from facilitating the implementation of the housing programme, will also help to increase the income of the residents of the Housing Projects.

Asked to state whether any programme for increasing agricultural production and employment opportunities into which Village

Housing Projects Scheme is integrated has been taken up by any State, the Ministry have furnished this following information as received from the State Governments:—

Sl. No.	Name of the State	Remarks
1	2	3
1	Andhra Pradesh	Information not available.
2	Assam	Nil.
3	Bihar	Nil.
4	Gujarat	Nil.
5	Haryana	Nil.
6	Jammu & Kashmir	The Scheme is yet to be implemented in this State.
7	Kerala	No such programme is in operation in this State except in Cannapore District where landless agricultural labourers have been settled under the Scheme with this object in view. The State Government have not indicated whether this settlement has actually helped to increase the agricultural production.
8	Madhya Pradesh	Nil.
9	Madras	Nil.
10	Maharashtra	Nil.
11	Mysore	Nil.
12	Nagaland	The scheme is not being implemented in this State.
13	Orissa	Reply is awaited.
14	Punjab	Nil.
15	Rajasthan	Nil.
16	Uttar Pradesh	Nil.
17	West Bengal	Nil.
<i>Union Territories.</i>		
1	Andamans & Nicobar	The scheme is yet to be implemented in this territory.

1	2	3
2	Delhi	Special attention was paid to the programme of increased agricultural production in villages where the housing scheme was introduced but the experience gained has not been indicated.
3	Laccadive, Minicoy and Amin-divi Islands	Under agricultural sector, the requirements of fertiliser, manure etc. are being supplied at subsidised rates to improve the agricultural production. The loanees have no difficulty to repay the loan by instalment.
4	Himachal Pradesh	No specific programme for the purpose has been launched by the Himachal Pradesh Government. However, with the intensive development activities which are going on in the Pradesh, the economic position of the people has improved to some extent and the loan instalments are generally repaid by the loanees in time.
5	Manipur	Reply is awaited.
6	Pondicherry	The scheme has just been started. Experience will be gained in course of time only.
7	Tripura	Nil.
8	Goa, Daman & Diu	The scheme is not being implemented in these territories.
9	N.E.F.A.	
10	Chandigarh	

It will be observed from the above statement that in 20 States/ Union Territories either the scheme for increasing agricultural production and employment opportunities has not been implemented or no information is available about their activities in this regard. In two Union Territories, i.e., Laccadive, Minicoy and Andaman Islands fertiliser, manure etc. are being supplied at subsidised rates to improve the agricultural production and the loanees have no difficulty

to repay the loan by instalment. In Himachal Pradesh no specific programme for the purpose has been launched but with the intensive development activities which are going on in the Pradesh the economic position of the people has improved to some extent and the loan instalments are generally repaid by the loanees in time.

The Committee consider that the super-structure of housing scheme can be built only if the economic base of the people in the rural areas is strengthened. The Committee therefore feel that an integrated approach towards rural development which would cover improved agricultural practices and production methods, better irrigation facilities, flood control measures, improved water supply, supply of power, development of agro-based small scale industries, etc., can only provide the true base for a meaningful programme of Rural Housing.

The Committee further feel that Government agencies should make continuous efforts to improve the layout and drainage of the villages so as to make them hygienic and sanitary. In the matter of housing, stress should be laid on demonstration of practical methods of constructing hygienic and well-ventilated houses at a cost which is within the reach of the common man. More emphasis should be placed on self help with provision of loan facilities at cheaper rates of interest so as to bring about improvement in Rural Housing conditions. The Committee would like Government to make available the layout and designs of houses, best suited to rural conditions to all aspiring villagers through the agency of local authorities such as Panchayats and Community Development authorities, irrespective of the loan requirements. The key-note in designing rural houses should be utility, coupled with economy and ease of construction, with particular emphasis on factors such as climate, living habits, customs and utilisation of local materials, etc. The Committee think that the rural housing scheme should be a part of the integrated scheme of improving the social hygiene and the social and individual habits of the villagers.

As regards model layout for villages, the Committee feel that though these should be vigorously implemented in new colonies or in villages susceptible to floods while relocating their sites, attempts should be made even in existing villages to improve the layouts, roads, drains and sanitary arrangements. The Committee are convinced that if serious attempts are made to transform the rural set up into model villages developed at economic cost, these would act as an exhortation and example to others. The Committee feel that rural housing should be integrated with well thought out and efficiently executed plans of rural development.

CONCLUSION

46. The Estimates Committee have taken up the examination of the subject of Rural Housing as a sequence to their examination of the programmes of Rural Works, Community Development and Rural Industrialisation during the previous year. Not having been impressed with the working of the latter three programmes, the Committee did not expect that any significant progress would have been made in the Rural Housing Scheme. Yet, the Committee had hoped that some serious thought would have been given to this subject as it had been included in the Five Year Plan.

The importance of Rural Housing as an effective instrument for raising the level of living of the village people, providing them better opportunities for work and as a vital element in the transformation of rural life, had been recognised long time back. The importance of Rural Housing scheme was emphasized in the First Plan document and resources allocated for the purpose in the subsequent Five Year Plans, but the Committee have been constrained to note that no serious attempt has been made to implement the scheme. The Committee feel that the fundamental mistake was to start the scheme on the pattern of Puerto Rico. The Committee fail to understand how Government or the Planning Commission could find any similarity in the rural conditions obtaining in India and Puerto Rico. The Committee fully endorse the statement made in the course of official evidence by the Secretary of Ministry of Works, Housing and Supply that the rural conditions of the two countries differ basically. It simply shows that when some foreign experts put forth any idea before any responsible person in the administration, it is often taken up without proper scrutiny and examination of its intrinsic merit. The Committee feel that at least in the matter of rural development, the sooner the Government can make its own schemes on the basis of realistic assessment of the needs of the rural population and the conditions prevailing in our country and not on the basis of some alluring suggestions from some foreign experts which are neither relevant nor related to the circumstances obtaining, the better it is for the village communities.

The Committee would like to stress that the task of improving the housing conditions in the villages has to be viewed not as an

isolated objective, but as part of an integrated scheme of rural reconstruction which includes improvement of agricultural production, cooperative working in as many fields as possible, rural water supply, drainage, sanitation, village roads, welfare programmes for scheduled castes and other backward classes and programmes for promoting more work and better living conditions for village artisans. Rural housing is, therefore, intrinsically a part of community development and village planning and has to be considered in the background of the general economy and social development of rural areas. A number of Ministries in the Central Government, e.g. Ministries of Works, Housing and Supply; Health; Community Development and Cooperation; Agriculture; Social Welfare and corresponding departments in the State Government are concerned with the execution of rural development programmes, the Committee have regretfully observed that there has not been much coordination among them. Lack of coordination amongst the various agencies which are concerned with one or the other aspect of rural reconstruction can only lead to unbalanced development of rural life. Without a proper layout, drainage or suitable sanitary arrangements and in the absence of improved communications and arrangements for the disposal of sewage and waste products or without provision for the supply of drinking water, or agricultural and economic development, simply owning a better house would almost mean nothing to a villager. It has been contended that a proper layout of the village with arrangements for roads and drainage is very difficult in the existing villages and can be experimented only in settling new villages. The Committee are not inclined to accept this statement. They feel that even within the existing set-up of the villages, with slight modifications in the location of the houses through cooperative efforts, considerable improvement can be effected in the layout of the village and for the provision of roads, drainage, manure pits, sanitary latrines and such other simple and essential amenities of decent living.

The Committee had an opportunity of visiting some villages in the Union Territory of Delhi where some houses have been constructed under the Village Housing Projects Scheme but to their surprise they found that even in those new houses, no provision had been made for latrine or urinal or for drainage. Nor had any arrangement been made for better light and ventilation. They also saw cattle and human beings living under the same roof, if not in the same room. They feel that if this scheme is implemented in this manner, it would only mean perpetuating the insanitary conditions and the outdated traditions and institutions of the villages. There should have been an attempt on the part of the administra-

tion to see that better living conditions are created and better social habits are encouraged.

It seems that the administration has taken it for granted that all they are required to do under this scheme is to give some loans to the villagers for having a pucca house instead of a kutchha one. They have not taken much care beyond that. This apprehension of the Committee is confirmed by the fact that physical and socio-economic surveys had been conducted only in a few villages in each State while the programme envisages socio-economic surveys as a condition precedent to the introduction of the scheme.

The Committee also find that the declared policy of making this a scheme of 'aided self-help' has not received due consideration. Aided self-help in housing aims at helping people to build cheap houses out of materials available locally. Naturally education and guidance play a large part in the implementation of this programme. The Committee have regretfully noticed that hardly any attempt has been made by Government in this direction. The result has been that even the research and training centres that have been established have proceeded more or less on stereo-type pattern and the cost of rural house has been estimated at about Rs. 3700. The Committee feel that if those centres had given due attention to the 'aided self-help' aspect of the scheme, it might have been possible for them to develop or to suggest locally available materials for the construction of the rural house... The Committee are not happy inasmuch as these research-cum-training centres have all been located in urban areas and some of them in highly sophisticated engineering institutions. They also find that these centres have not been fully utilised. During the Third Plan period, only 59 per cent of the authorised capacity of the six centres has been utilised and the utilisation of the capacity has been going down year after year from 80 per cent in the first year (1961-62) to 44.45 per cent in the last year (1965-66). It is surprising that this has not attracted the attention of the Government and no remedial steps have been taken. More depressing is the fact that only 175 B.D.Os out of over 5,000 have so far undergone training in these centres while in two of the centres no B.D.Os received any training. And this is in spite of the fact that the B.D.O. is the principal agency for all rural development.

Another depressing factor which has come to the notice of the Committee is the non-utilisation of the Ford Foundation grant for this scheme. Out of a grant of \$2,00,000, only \$80,000 has been utilis-

ed so far. Even though four years have elapsed it has been possible to build only 56 demonstration houses. Another 34 houses are still under construction. This would appear to the Committee to be due to lack of any seriousness on the part of the Government in implementing this scheme. The net result is that the rural housing scheme has failed to evoke a wide-spread desire among villagers to achieve the objective of better living which is the underlying aim of this scheme.

The Committee feel that the rural people constituting about 83 per cent of our population deserve better consideration from the Government. The rural areas are often subject to periodical natural calamities. The rural houses in most areas are mostly weak ranshackle structures and hardly conform to the minimum hygienic requirements. The scheme, though well conceived, has not been seriously implemented. The Committee strongly feel that the entire scheme should be examined de novo in the light of the shortcomings that have been noticed in its working. They also suggest that irrespective of the allocations that may be made for this purpose in the Fourth Five Year Plan, the scheme should be taken up as part of an integrated plan for reconstruction of rural areas so as to achieve the aim of improving the social and economic conditions of the villagers to an appreciable extent.

NEW DELHI;
 May 29, 1967.

 Jyaishta 8, 1889 (Saka).

P. VENKATASUBBAIAH,
 Chairman,
 Estimates Committee.

APPENDIX I

(Pl. see Para 16 P. 25 of Report)

Statement showing the date of receipt of Quarterly progress reports under the Village Housing Projects Scheme

Sl. No.	Name of the State	Period covered by the last report received by 31-12-1966 Quarter ending	Date of receipt of progress reports relating to the last two years										Remarks.
			Quarter ending	Quarter ending	Quarter ending	Quarter ending	Quarter ending	Quarter ending	Quarter ending	Quarter ending	Quarter ending	Quarter ending	
			31-3-65	30-6-65	30-9-65	31-12-65	31-3-65	30-6-65	30-9-66	31-12-66	31-3-66	30-6-66		30-9-66	31-12-66
1	2	3	4	5	6	7	8	9	10	11	12		
	Andhra Pradesh	31st March 1966	20-7-66	20-7-66	20-7-66	20-7-66	15-6-65	..	..	..	..	..
	Assam	..	..	..	..	..	..	..	..	..	..	..
	Bihar	30th Sept. 1966	22-6-65	16-9-65	15-12-65	28-2-66	15-6-66	19-9-66	28-12-66				
	Gujarat	30th June, 1966	4-9-65	25-11-65	10-3-66	15-7-66	5-8-66	23-11-66	13-2-67				
	Haryana	The State came into existence on					1-10-1966.	Hence no Progress Reports before December, 1966.					
	Jammu & Kashmir	The Village Housing Projects Scheme is not yet being implemented.											
	Kerala	30th June, 1965	28-7-65	14-1-66	..	..	..	..	..	..	..	..
	Madhya Pradesh	30th June, 1966	21-6-65	20-12-66	18-1-66	20-12-66	20-12-66	20-12-66	16-1-67				
	Madras	30th Sept. 1966	12-10-65	12-10-65	18-1-65	22-3-66	17-8-66	19-10-66	28-12-66				
	Mysore	30th Sept. 1966	14-7-65	25-2-66	25-2-66	25-2-66	5-8-66	19-10-66	7-12-66				
	Orissa	31st March, 1964	..	..	..	..	..	..	..	..	..	..

12. Punjab . . .	31st March, 1965	18-8-65	..	..	..	..	..	..	..
13. Rajasthan . . .	30th June, 1966	17-5-65	18-8-65	15-11-65	5-3-66	15-6-66	29-9-66	..	3-2-67
14. Uttar Pradesh . . .	31st Dec. 1965	22-7-65	1-2-66	1-2-66	17-8-66	3-1-67	..	..	..
15. West Bengal . . .	30th June, 1966	13-9-65	18-12-65	18-12-65	15-4-66	5-10-66	10-10-66	2-1-67	..
16. Nagaland . . .	The Scheme is not yet being implemented.								
17. Maharashtra . . .	31st March, 1966	17-9-65	16-2-66	21-2-66	28-6-66	26-8-66	27-1-67	..	..
18. Delhi . . .	30th June, 1966	12-4-65	14-7-65	27-10-65	17-2-66	..	29-7-66	..	24-1-67
19. Himachal Pradesh . . .	31st March, 1966	16-8-65	9-12-65	28-12-65	4-6-66	28-12-66	..	..	..
20. Tripura . . .	31st March, 1966	12-8-65	7-10-65	10-1-66	16-3-66	11-8-66	..	..	..
21. Manipur . . .	30th Sept. 1966	30-6-65	28-8-65	..	..	..	..	..	..
22. L.M. & A. Islands . . .	30th Sept. 1966	4-6-65	27-11-65	27-11-65	7-5-66	7-5-66	15-7-66	11-10-66	9-1-67
23. Andaman & Nicobar Islands . . .	31st March, 1965	4-8-65	..	..	..	..	..	..	..
24. Pondicherry . . .	30th Sept. 1966	The Scheme has been implemented only during 1965-66.							
25. NEFA . . .	..	..	..	..	..	..	..	..	27-12-66
26. Chandignath . . .	..	The Scheme is yet to be implemented.							
27. Goa, Daman & Diu . . .	..	..					

APPENDIX II

(Please see para. 17 Page 25 of Report)

(Copy)

No. Plan 5/2/57

GOVERNMENT OF INDIA

PLANNING COMMISSION

New Delhi, 12th May, 1958.

From

SHRI NAWAB SINGH, I.C.S.
Secretary, Planning Commission.

To

All State Governments.

SUBJECT:—*Procedure for Central assistance for State Plans and Centrally sponsored Schemes during 1958-59.*

Sir,

I am directed to enclose a copy of the Ministry of Finance (Department of Economic Affairs) letter No. F.2(17)P.II/58 dated May 12, 1958 regarding the release of Central assistance for plan schemes.

2. The Planning Commission proposes that the following procedure be adopted by the various Ministries of the Government of India for the final release of the assistance promised for State Plan schemes executed by the States.

3. Following the discussions relating to the Annual Plan, the Planning Commission has received from the State Governments their proposals for the total outlay and its distribution under the State Plan for 1958-59. The concurrence of the Planning Commission to the proposals of the State Government has already been conveyed except in a few instances, where the Planning Commission has offered comments or suggestions in the light of which the State Governments have been requested to finalise their proposals for total outlay and its distribution under different heads. The State Planning Department is requested to furnish to the Planning Commis-

sion in the form in Annexure II—a list of development schemes to be implemented during 1958-59. This list which should be cleared with the State Finance Department, should reach the Planning Commission by the end of June, 1958. Extracts from this list should be sent simultaneously to the Central Ministries concerned to keep them informed of the schemes proposed to be implemented.

4. In the past, Central Ministries have frequently issued specific sanctions to schemes included in State Plans for which Central assistance was made available. It is proposed that those schemes should be sanctioned by the State Governments under their normal procedure and that no financial sanctions as such should issue from the Centre. In respect of new projects or new categories of schemes (as distinct from continuing schemes), however, the following existing arrangements will continue:—

- (i) In the case of irrigation and power projects, before work is commenced on new projects, they are examined and accepted by the Planning Commission's Advisory Committee on Irrigation and Power Projects;
- (ii) Schemes for industrial housing and slum clearance are reviewed from the technical aspect by the Ministry of Works, Housing and Supply before they are implemented;
- (iii) For certain programmes the Central Government have set up special Boards or other agencies. These are:—
 - (a) For different branches of small industry, the Handloom Board, the Small-Scale Industries Board, the Coir Board, and the Silk Board;
 - (b) For schemes of cooperative development other than cooperative farming and cooperative training, the National Cooperative and Warehousing Board, and
 - (c) For technical education the All India Council of Technical Education.

The procedure prescribed by these organisations in consultation with the Central Ministries concerned for receiving schemes and giving technical approval to them will not be affected by the terms of this letter except in so far as these relate to the grant of ways and means advances and the final payment sanctions for the year. It may be added that the schemes of the Khadi and Village Industries Commission are altogether outside the purview of this letter.

- (iv) Where, during the Annual Plan discussions, a scheme is included provisionally subject to further technical consi-

deration or a financial allocation is made, leaving the precise scheme to be undertaken to be specified later, it is expected that the scheme will be taken up only after the steps envisaged have been gone through in consultation with the Planning Commission of the Central Ministry concerned as the case may be.

5. With a view to simplifying the procedure relating to Central assistance, it was agreed in the State Finance Ministers' Conference, which was held in November, 1957, that development schemes under each head might be arranged suitably in groups. Annexure I sets out the groups in which schemes under different heads for which Central assistance has been or may be communicated may be arranged. While the total amount of Central assistance to be intimated to State Governments is estimated with reference to individual schemes and the pattern of assistance for them, the intention is that once the State Governments have been informed of the amounts of loans and grants available for the State Plans, the final sanctions of payments should be related to the groups specified in column 3 of Annexure I. Within a group the State Government will be free to regulate the expenditure on the schemes without reference to the Central Government. Where the total expenditure under one group is proposed to be covered by reduction of expenditure in another group under the same head of development the concurrence of the Central Ministry concerned should be obtained and the Planning Commission kept informed. Similarly, where the same Central Ministry is concerned with more than one head of development adjustments between them may be made in consultation with the Ministry with advice to the Planning Commission. Where such adjustments are considered necessary as between one Ministry and another, the concurrence of the Planning Commission should be obtained, a copy of the proposal being sent simultaneously to the Ministries concerned.

The final release of funds will be calculated with reference to the proportion of the assistance under loans and grants intimated by the State Government in respect of a group and the total expenditure for the year estimated with reference to that group. Thus, if for a group of schemes the total outlay accepted is Rs. 100 lakhs, of which Central grants amount to Rs. 25 lakhs and Central loans to Rs. 50 lakhs while Rs. 25 lakhs are to be contributed by the State Government, grants and loans will be given at 25 per cent and 50 per cent respectively of the total expenditure as worked out in para 6 below. These payments will be authorised by the Central Ministries concerned by the issue of payment sanctions to the

appropriate Accountant General. It is proposed to work out a statement for each State Plan showing the total outlay for groups of schemes as specified in Annexure I along with the total amount by way of loans and grants to be shown against that group.

6. The State Government is requested to forward to the Planning Commission with extracts to the Central Ministries concerned and copy to the Finance Ministry, Department of Economic Affairs, a quarterly statement giving the total expenditure as recorded in the departmental books under each sub-head indicated in Annexure I. The statements for the two quarters ending June and September may kindly be sent to the Planning Commission by the 15th August and the 15th November respectively. The Statement for the quarter ending December may please be sent by the end of January. This will facilitate the issue of the payment sanctions, although it is appreciated that special arrangements will have to be made by the State Government to obtain the necessary information. The quarterly statements will show both expenditure in the quarter and the cumulative expenditure. The statement for the third quarter will also indicate the anticipated expenditure for the last quarter of the year. This last figure has to be worked out with reference to the progress of expenditure upto December and a realistic estimate of expenditure for the last quarter. On receipt of the statements scheduled for January, the administrative Ministries will sanction the final payments of grants and loans. The Accountant-General will clear the ways and means advances given by the Finance Ministry outstanding against the State and credit the difference, if any, in cash to the State Government.

7. As the final payments mentioned in para 5 in each year will be made partly with reference to the estimated expenditure in the the last quarter, they will be subject to final adjustment in the following year in the light of the actual expenditure for the year as a whole.

8. The procedure described above applied to State Plan schemes. The only difference in respects of Centrally sponsored schemes is that these schemes require specific approval from the administrative Ministries concerned. It is proposed that in respect of Centrally sponsored schemes which entail a total cost of less than Rs. 25 lakhs over the plan period or of Rs. 10 lakhs during the year, the Central Ministries should accord their approval on the basis of a statement from the administrative Department concerned in the State to the effect that the schemes have been accepted for financial sanction by the State Finance Department. For schemes costing more than

the amounts mentioned above, the Central Ministires will intimate their approval after the necessary scrutiny. In either case it is requested that States will kindly ensure that sufficient information is made available to enable the Ministries to judge that the scheme to be implemented follow the lines approved.

Yours faithfully,
Sd/- TARLOK SINGH,

for Secy, Planning Commission.
Dated, the 12th May, 1958.

No. Plan 5/2/57

Copy forwarded to:—

- (1) Finance Secretaries to all State Governments.
- (2) All Ministries of the Government of India.

Sd/
D. K. MALHOTRA,
for Secy, Planning Commission.

ANNEXURE I

Heads of Development & Groups in which Schemes are arranged

(In lakhs of Rupees)

Central Ministry	Head of Development	Groups	Total cost	Central Assistance		Percentage of 5 to 4	Percentage of 6 to 4
				Grant	Loan		
I	2	3	4	5	6	7	8
I. Min. of Food & Agr.	Agriculture (including minor irrigation and land development)	<ol style="list-style-type: none"> 1. Minor Irrigation including Tubewells. 2. Land development & consolidation of holdings. 3. Seed forms. 4. Supply Schemes & plant protection. 5. Development of commercial crops, horticulture & fruit preservation. 6. Agricultural education. 7. Agricultural research, Information & Statistics. 					

1 2 3 4 5 6 7 8

Animal Husbandry, Dairying & Fisheries.

1. Animal husbandry, including sheep and wool and poultry development.

2. Veterinary education and rinderpest eradication.

3. Dairying and milk supply.

4. Fisheries.

Forest & Soil Conservation.

1. Forestry schemes.

2. Soil conservation.

Cooperation

1. Cooperation and ware-housing.

2. Marketing, cooperative farming and training.

II. Ministry of Community Development

1. N.E.S. and Community Projects

2. Village Panchayats.

III. Ministry of Irrigation & Power.

1. Multipurpose projects.

2. Irrigation schemes.

3. Power Schemes.

4. Scarcity area schemes.

5. Power facilities for expansion of employment opportunities.

6. Flood Control.

IV. Ministry of Commerce & Industry.

Large and Medium Industries.

1. Handloom.

2. Small-scale Industries.

3. Handicrafts.

4. Coir.

5. Silk.

6. Conversion of handlooms into powerlooms.

V. Ministry of Steel, Mineral Development, Mineral Development, Mines and Fuel

VI. Ministry of Roads Transport & Communications.

Road Transport Minor Ports.

1. State Road Programme
2. Roads of inter-state and economic importance.

VII. Ministry of Education.

Education (other than Technical education)

Road Transport Minor Ports.

1. Elementary education.
2. Secondary education.
3. University education.
4. Other education Schemes.
5. Welfare extension projects.
6. State Social Welfare Schemes.

VIII. Ministry of Technical Education.

Technical education.

1. Technical Education.
2. Other schemes

IX. Ministry of Health

Health

1. Water Supply & sanitation-Rural/Urban.
2. Education and training.
3. Control of diseases.
4. Primary health units and family planning.
5. Other schemes-Health.
6. Other schemes-Medical.

X. Ministry of Home Affairs.

Welfare of Backward Classes.

(a) Scheduled Tribes & Development of Scheduled Areas.

(b) Scheduled Castes

(c) Ex-Criminal Tribes.

(d) Other Backward Classes.

1. Education
2. Economic Uplift.
3. Health, housing & other schemes

1. Education.
2. Economic Uplift.
3. Health, housing and others schemes

1. Education.
2. Other Schemes.

1. Education.
2. Other Schemes.

1 2 3 4 5 6 7 8

(e) Social Welfare.

1. Social Defence Programmes.
2. Social and Moral Hygiene and After-care programmes.

XI. Ministry of Works, Housing and Supply.

1. Slum clearance.
2. Subsidised Industrial Housing Scheme.
3. Low-income group housing scheme.
4. Rural housing.
5. Plantation Labour Housing Scheme.

II. Ministry of Finance and Miscellaneous.

- Local Development Works
Local development works.
Statistics.
Publicity
Other schemes.
Statistical schemes.
Publicity
Other schemes

ANNEXURE II

List of schemes included in State Development Plan, 1958-59.

State.....

Head of Development	Group*	Particulars of schemes	Outlay in 1958-59	Total	Loans	Grants	Remarks.
1	2	3	4	5	6	7	8
							Distribution by schemes of loans and grants intimated in Finance Ministry's letter of March 22, 1958
		1.					
		2.					
		3.					
		Total for group					
		1.					
		2.					
		3.					
		Total for group					
		Total for head for development					

*See Annexure I for details.

No. F. 2(17)-PII/58

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

(Department of Economic Affairs)

New Delhi, the 12th May, 1958.

From

Shri M. V. Rangachari,
Special Secretary to the Government of India.

To

All State Governments,
(Finance Secretaries).

SUBJECT: *Procedure for release of Central Assistance for Plan Schemes.*

Sir,

I am directed to refer to item IV of the minutes of the Conference of State Finance Ministers held in November, 1957 and to this Ministry's letter No. F.10(19)-PII/57, dated March 22, 1958 in which it was stated that a separate communication would be sent on the subject of the procedure for release of Central assistance funds.

2. Central assistance for Plan schemes comprises—

- (a) assistance for schemes included in the State Plans; and
- (b) assistance for Centrally sponsored schemes.

In this Ministry's letter of March 22, 1958, the amounts of loans and grants available for State Plans during 1958-59 have been intimated. A similar statement in respect of loans and grants for Centrally sponsored schemes, has been forwarded with this Ministry's letter No. F.10(19)-PII/57, dated April 30, 1958.

3. For the release of Central assistance for Plan schemes in both the categories mentioned above, the following procedure is proposed to be adopted:—

- (i) A substantial portion of the assistance mentioned in para 2 above will be made available to the State Governments as lump sum ways and means advances by this Ministry. Three-fourth of the total amount will be released in this way in nine equal monthly instalments beginning with May, 1958. Such releases will be made automatically on or about the 15th of the month.
- (ii) On receipt of final sanctions for loans and grants from the Central Ministries in the later half of February, 1959, the Accountant General will clear these outstanding advances. The balance, if any, will be credited to the States by him in cash.
- (iii) The ways and means advances will be interest-free but the loans into which they are ultimately converted or any uncleared balance of such advances outstanding at the end of the year will be deemed to have been made to the State on the 1st October, 1958 and will carry the appropriate rate of interest.
- (iv) The procedure for determining the sums, payable as grants and loans is set out in the Planning Commission's letter No. Plan-5/2/57, dated 12th May, 1958 to the State Governments, a copy of which is being endorsed separately.

4. The above procedure will apply to all loans and grants to be given to the State Governments on account of Plan, Schemes except the loans for the D.V.C., the Hirakud and the Rajasthan Canal, funds for which will continue to be released as at present.

Yours faithfully,

Sd/-

M. V. RANGACHARI.

No. F.2(17)-PII/58.

Dated, the 12th May, 1958.

Copy forwarded to:

(i) All Ministries of the Government of India and all Departments of the Finance Ministry.

(ii) Comptroller and Auditor-General, Accountant-General (Central Revenues), all the State Accountants-General and Comptroller, Kerala.

- (iii) All Heads of Divisions of the Expenditure Department.
- (iv) Planning Commission.
- (v) Development Commissioners of all State Governments.

Sd/-
M. V. RANGACHARI

APPENDIX III

(Please see para 23 Page 43 of Report)

(Prel. Mat P. 109)

Statement showing the progress made by the States and Union Territories for provision of house sites to landless agricultural workers at the end of the third plan period.

STATES

1	Andhra Pradesh	Nil.
2	Assam	The programme has not yet been taken up by the State Government.
3	Bihar	The State Government have decided to acquire 9.55 acres of land for this scheme.
4	Gujarat	No target fixed. Expenditure to the extent of Rs. 66,600 has been incurred by the State Government during III Plan period.
5	J. & K.	No reply.
6	Kerala	33.50 acres have been acquired. The programme is being implemented.
7	M. Pradesh	Nil.
8	Madras	Have declined to implement the programme as the allocation is very little.
9	Maharashtra	Nil.
10	Mysore	It is reported that 10 acres of land has been acquired.
11	Orissa	Nil; this programme is yet to be introduced.
12	Punjab	Nil.

- 13 Rajasthan . Nil. The Rajasthan Tenancy Act provides for allotment of free house sites to landless agricultural labourers & artisans.
- 14 U. Pradesh Nil. The Village Housing Project Scheme was wound up in 1965.
- 15 W. Bengal . Nil.
- 16 Nagaland . The Village Housing Projects Scheme has not been introduced in this State.

UNION TERRITORIES

- 1 Delhi Its survey has revealed that there are hardly any landless agricultural workers in the Union Territory.
- 2 H. Pradesh Nil. There is no problem of landless agricultural workers.
- 3 Manipur . . . Nil.
- 4 Tripura . . . Nil. The Programme is still under formulation.
- 5 A.& N.I. . Nil.
- 6 Laccadivis Has stated that there are no landless agricultural labourers in its territory.
- 7 N.E.F.A. The Village Housing Projects Scheme not implemented in this territory.
- 8 Pondicherry . . . Nil. The policy is still under formulation.
- 9 Goa, Daman & Diu . . . The Village Housing Projects Scheme not implemented in this Administration.

APPENDIX IV

(Please see para. 24 Page 45 of Report)

(Prel. Mat p. 111)

Note on housing scheme for the welfare of Scheduled Castes and Scheduled Tribes under the Backward Classes Sector.

Introduction

Among the Backward Classes, the problem of securing house sites and houses is a special problem of the Scheduled Castes. Many of the Scheduled Castes who reside in Slum areas of the cities, have very unsuitable huts, which hardly give them protection in the monsoon. In some places, the Scheduled Castes have their huts situated on private or Government lands and they always stand a chance of being evicted from such lands at short notice, leaving them in a hopeless condition. Similarly Scheduled Tribes live in small huts built of reeds and thatched with grass. The provision of suitable house sites to the Scheduled Castes, is therefore urgent and important. This problem is linked up both with economic backwardness and the practice of untouchability. In the case of Scheduled Tribes, the problem of housing is not so acute. It is linked more with the problem of the rehabilitation of shifting cultivators and those evicted from new sites on account of the land having been required by Government for industrial projects in the country.

Bearing in mind the necessity of providing houses/house sites to the Scheduled Castes and Scheduled Tribes, special allocations were made under the Backward Classes Sector in the successive five year plans. A beginning was made with a small provision of Rs. 12.24 lakhs in the First Plan but it was increased to Rs. 649.88 lakhs in the Second Five Year Plan.

In the Third Five Year Plan, a provision of Rs. 533.78 lakhs was made for housing/house sites scheme. Out of this composite provision for houses and house sites, priority was given to Scheduled Castes and among them, to landless labourers and to those engaged in unclean occupations. On a rough estimate, it has been estimated that out of some 34 lakhs landless labourers belonging to Scheduled Castes, a little over 2 lakhs have been provided with housing or house sites during the last 15 years.

The housing scheme in the Backward Classes Sector, applies to rural areas and small townships. In urban areas the problem is mostly confined to the sweepers and scavengers. They are mostly the employees of the Municipalities and local bodies. The programme for the housing of sweepers and scavengers in urban areas in the Backward Classes Sector is associated with the programme of the Ministry of Works, Housing and Supply under their Slum Clearance and Low Income Group Housing Schemes. Under the present orders all such programmes qualify for assistance out of Backward Classes Sector upto the amount of 12½ per cent of the ceiling cost of a house. Under this coordinated programme, which it at present enforced, houses are given to the beneficiaries not on ownership basis but on subsidised rental basis. The ownership of these houses vests in the local bodies concerned. They get 37½ per cent of the ceiling cost as contribution from the Ministry of Works, Housing and Urban Development and 25 per cent as loan from them. The balance 25 per cent is also given as a loan by the State Government concerned.

In the rural areas, the problem is very vast. As the provision for housing for all the Scheduled Castes and Scheduled Tribes families would involve a very heavy expenditure, it has been decided by the Government of India to undertake steps to provide at least house sites to the deserving families. The provision of planned house sites for these persons has, therefore, been a feature for several years of our development plans under the Backward Classes Sector, not merely to provide an amenity to individual family but also to avoid their segregation from other castes.

The pattern of financial assistance for this scheme is common for both the State and Central sector programmes. Keeping in view the present rise in the cost of building materials and labour charges, the ceiling cost per house has been increased from Rs. 1,000 to Rs. 1,200. The State Governments, may, however, at their discretion, raise the ceiling cost of Rs. 1600 per house in special cases such as black cotton soil areas, hilly regions and remote places. In the case of snow bound areas, it has been fixed at Rs. 2,000 to meet the cost of superior specifications to withstand the heavy snowfall. In the case of Central Sector Programme, 75 per cent of the ceiling cost is borne by the Government of India as subsidy and in the case of State Sector programme 50 per cent of the ceiling cost is borne by the Government of India and the State Governments concerned in the ratio of 50:50. The remaining 25 per cent of the ceiling cost is to be borne by the beneficiary concerned either in the form of cash or building materials or voluntary labour.

In the Fourth Five Year Plan, it has been recommended by the panel on the Welfare of Backward Classes that a coordinated programme should be drawn up by pooling the outlays available in the Fourth Plan under the Village Housing Projects Scheme of the Ministry of Works, Housing and Urban Development with that available under the scheme for the housing of Harijans and other Backward Classes at the State level. It has been also suggested by them that during the year 1966-67, a start could be made on a pilot basis with a limited programme of rural-cum-Harijan housing on the lines indicated below:

- (i) Villages in which there is a congestion on account of rise in population or new economic activity, should be chosen for extension and improving the village *abadis*.
- (ii) Provision for the welfare of Backward Classes could be primarily utilised to enable Panchayats to acquire and develop village sites and the funds from the rural housing scheme could be utilised for the construction of houses and other structures. Harijans and other Backward Classes should be given suitable subsidies both for house sites and for the construction of houses; other sections of the village community could be given loans to cover the cost of house sites and houses.
- (iii) At the Centre, on behalf of all the interested agencies, the Works and Housing Ministry should assume responsibility for overall coordination and supervision of the programme. This could be done through the proposed Central Housing Board. At the State level, the State Housing Boards, in cooperation with the Departments dealing with Harijan Welfare, Community Development, etc., should assume the promotional role. Each State Housing Board should have a Rural Housing Wing in order to help in planning the layout of new or extended village *abadis*, designing of homestead and work places and for giving the necessary technical assistance. The existing rural housing cells could be merged in this Wing. At the Block level, Panchayat Raj Institutions could help in acquiring land at regulated rates and making it available for development and construction.
- (iv) Wherever land consolidation is undertaken, suitable land could be set apart for such extended and improved *abadis*. These *abadis* should not only provide for homestead but also for suitable work places for occupation such as flaying, tanning and leather work, animal husbandary, etc.

Subsidiary industries like poultry, growing of fruit trees should be facilitated.

- (v) The Department of Co-operation should promote in and around the chosen villages, brick-kilns and work shops for manufacturing building accessories on a cooperative basis.
- (vi) The Department of Health should give special attention to these villages for supply of drinking water and sanitary facilities.

No final decision has been taken on the above suggestions.

The problem of providing house sites to the landless labourers, with special reference to rural Harijans, was discussed at (1) Seminar on Agriculture Labour convened by the Ministry of Labour, Employment and Rehabilitation (2) Seminar on employment of Scheduled Castes and Scheduled Tribes convened by the Planning Commission and (3) meeting of the Central Advisory Committee on Agricultural Labourers. The recommendations made by them were discussed in an inter-departmental meeting, held on the 4th December, 1965, consisting of the representatives of the Ministry of Labour, Employment and Rehabilitation, Ministry of F. & A., C.D. &C., Department of Social Welfare, Min. of W.H. & Supply, Ministry of Finance and the Planning Commission. The following suggestions have been made by them:—

- (1) The question of providing free house sites should not be mixed with that of providing houses. To begin with, Government should concentrate on providing house sites, leaving it to the agricultural workers to put up their own structure with bamboo or with other locally available materials. Provision of house sites should not be construed as binding Government in any manner in the matter of construction of house.
- (2) A house should measure not less than 500 sq. yds. So that there could be a provision for homestead, a kitchen garden, poultry, backyard, well, cultivation, etc., as this will help not only in improving living conditions but will add to the income of the workers and the Nation.
- (3) In view of the suggestion made on behalf of the Ministry of F&A, C.D.&C. that the allocation of house sites should not have an adverse effect on agricultural production, it was agreed that while allocating house sites, care should

be taken to ensure as far as possible, that agricultural land is not diverted to non-agricultural purposes.

- (4) A sum of Rs. 65 crores in the Fourth Plan was proposed to be allocated for house sites under the scheme controlled by the Department of Social Welfare and about 20 crores under the scheme controlled by the Ministry of Works, Housing and Supply. As rural housing is for all persons living in villages, special allocation of funds for agricultural labour, out of the total provision for rural housing, would be necessary. The scheme in this regard should be coordinated.

The above suggestions will be further considered in an inter-departmental meeting to be convened by the Planning Commission.

The Working Group on the Welfare of Backward Classes in their interim report of the Fourth Plan have strongly emphasised that the improvement of public health and housing in Indian villages should be viewed from the angle of integral planning of village allotments and habitations. It is only thus that the physical and social problems involved in this vast area can be usefully analysed and meaningfully tackled against a perspective goal. The working Group have also suggested that there is a need to link up housing colonies for Harijans in rural areas with their occupations. For example, colonisation of landless labourers should have remunerative employment available for them near about the site throughout the year. Otherwise there is often desertion of the colony when the families move during the off-season in search of casual labour elsewhere. The Working Group have also made the following suggestions for the revision of the existing pattern of assistance:

- (i) The benefit of assistance for house sites and housing should go to the poorest among the Scheduled Castes and the Scheduled Tribes.
- (ii) Even the small elements of matching contribution (25 per cent) is too heavy for the poorest among the Scheduled Castes and the Scheduled Tribes. It would also not be possible for them to contribute labour as labour is what they live by and it would be impossible for them to forego their wage earning for the duration of the construction of house. Government should, therefore, make available long term loans carrying nominal or no interest to enable the beneficiary to contribute their share. The house itself should be accepted as security for such loans.

- (iii) The present ceiling of Rs. 1,000 per house is unrealistic in view of the recent increase in the cost of construction. As the costs vary from State to State and even sometimes from area to area within a State, there should not be any uniform pattern for the whole country and a certain degree of flexibility should be allowed.
- (iv) As far as possible, assistance for housing should be given to groups of families who are willing to come together either in the form of cooperative or otherwise. This would facilitate acquisition and development of a compact area and adoption of modern standards of country and town planning. The Madras Scheme is commended for consideration by other States.
- (v) While encouraging construction of housing colonies, full care should be taken to ensure that this does not perpetuate segregation. For this purpose, it is recommended that 10—25 per cent of the sites in these colonies should be reserved for non-Scheduled Castes. In order to encourage non-Scheduled Caste families to come forward to live in these colonies, they should be offered the same terms of assistance subject to their being in corresponding economic classes.

APPENDIX V

(Please see para. 25, Page 46 of Report)

Appendix "C"

Statement showing the Third Plan outlay/Utilisation and Physical targets proposed and achieved in respect of "Housing" Scheme for the welfare of Scheduled Castes under the Centrally sponsored programme.

Sl. No.	Name of the State	Third Plan Financial targets		Third Plan Physical Targets		
		Proposed	Achieved upto 1965-66 (anticipated)	Proposed	Achieved up to 1965-66	
1	2	3	4	5	6	7
					(Rs. in lakhs)	
1.	Andhra Pradesh	Construction of houses and house sites (Composite)	38.10	23.97	2584 Houses House sites not fixed	2312 Houses
2.	Assam	"	3.00	3.00	Not fixed	34 Municipalities.
3.	Bihar	"	22.25	22.17	1277 Houses 533 House-sites	794 Houses 335 House sites
4.	Gujarat	"	6.10	5.15	750 Houses 200 House sites	589 Houses 160 House sites
5.	Jammu & Kashmir	"	2.00	1.72	25 Houses 360 House sites	17 Houses 238 House sites

1	2	3	4	5	6	7
6.	Kerala .	Construction of houses and house sites (Composite)	9.15	4.00	3320 Houses 12500 House sites	1590 Houses 2407 House sites
7.	Madhya Pradesh	"	27.05	15.84	974 Tenements 685 Sites	825 Houses 160 Sites
8.	Madras .	"	39.80	85.35	6000 Houses 1,20,000 Sites	2552 Houses 38256 Sites
9.	Maharashtra .	"	13.85	8.29	1125 Tenements	136 Tenements
10.	Mysore .	"	4.50	6.42	500 Houses 150 House sites	732 Houses
11.	Orissa .	"	17.65	17.22	1350 Houses 100 House sites	879 Houses constructed 100 House sites purchased
12.	Punjab .	"	13.85	13.85	1737 House 111 House sites	1382 Houses 298 House sites
13.	Rajasthan .	"	17.65	20.23	1765 Houses	1908 Houses
14.	Uttar Pradesh .	"	66.40	49.15	3733 Houses 4000 House sites	1286 Houses 2028 House sites
15.	West Bengal .	"	17.65	16.67	Not available	589 Houses 1910 Sites
Total			299.00	293.03		

APPENDIX VI

(Please see page 51, para, 28 of Report)

Sl. No.	Name of State	Rate of interest charged per annum	Administrative expenditure incurred.	Remarks
1.	Andhra Pradesh	6½%	Not available.	Rs. 1/2% above the rate charged by the Govt. of India.
2.	Assam	No loans have been given to villagers, so far.		
3.	Bihar	7½%	Do.	Subject to rebate of 1½% for prompt payment— EFFECTIVE INTEREST is 6% i.e. 1½% above the rate charged by Govt. of India.
4.	Gujarat	6½%	Do.	½% above the rate charged by the Govt. of India.
5.	Haryana	5½%	Do.	The Govt. of Haryana have stated that they are charging ½% above the rate charged by the Govt. of India. The present rate of interest charged by the Govt. of India is 5½%. Therefore, the State Govt. must be charging 6½% and not 5½%.
6.	Jammu & Kashmir	The Scheme is not being implemented in this state.		
7.	Kerala	6½%	Do.	½% above the rate charged by the Govt. of India.
8.	Madhya Pradesh	6½%	Not available	Do.
9.	Madras	6%	Do.	½% above the rate charged by the Govt. of India.

1	2	3	4	5
10.	Maharashtra .	6½%	Do.	½% over the rate charged by the Govt. of India.
11.	Mysore .	6%	Do.	½% above the rate charged by the Govt. of India.
12.	Nagaland			The Scheme is not being implemented.
13.	Orissa . .	6½%	Do.	½% above the rate charged by the Govt. of India.
14.	Punjab .	6½%	Do.	½% above the rate charged by the Govt. of India.
15.	Rajasthan .	Reply is still awaited.		
16.	Uttar Pradesh	Information is awaited— Interim reply received.		
17.	West Bengal .	5½%	Not available	The present rate of interest charged by Govt. of India is 5½%. The State will presumably now charge 6½% i.e. ½% above the rate charged by the Govt. of India.

UNION TERRITORIES

1.	Andamans & Nicobar			The Scheme is not being implemented at present.
2.	Delhi .	6½%		As prescribed by the Govt. of India for loans to Third parties.
3.	L.M. & A. Islands.	6½%		Do.
4.	Himachal Pradesh.	6½%		Do.
5.	Manipur .	Reply is still awaited.		
6.	Pondicherry .	6½%		Do.]
7.	Tripura . .	6½%		Do.]
8.	Goa, Daman & Diu	..		The Scheme is not being implemented at present ..
9.	N.E.F.A.			Do.
10.	Chandigarh			Do.

APPENDIX VII

(Pl. see para 35 Page 58 of Report)

Sl. No.	Name of State	Date of Establishment of Rural housing cell	Yearwise Expenditure on the Cell	Central Share in Col. 4	No. of Villages for which layout & master plans prepared	No. of designs of rural houses prepared	No. Of villages in which socio economic & technical survey has been conducted
1	2	3	4	5	6	7	8
Rs. in lakhs							
1.	Andhra Pradesh	March, 1958.	1957-58	0.01		229	36
			1958-59	0.51	2.24		
			1959-60	0.82	0.40		
			1960-61	0.89	0.40		
			1961-62	1.13	0.40		
			1962-63	0.94	0.40		
			1963-64	0.90	0.40		
	1964-65	0.93	0.40				
	1965-66	0.85	0.40				
2.	Assam	June, 1958	1958-59	0.07	16	16	96
			1959-60	0.13	50% of the amount in Col. 14		
			1960-61	0.27			

1	2	3	4	5	6	7	8
			1961-62 0:30 1962-63 0:28 1963-64 0:26 1964-65 0:28 1965-66 0:30				
3.	Bihar	1958	About Rs. 50% of the lakh per annum. Col. 4.		29	6	70
4.	Gujarat	Not established					
5.	Haryana	1959-60 in undivided Punjab On 1966 in Haryana	Ranging between Rs. 28,000 and Rs. 32,000 p. a.	50% of the amount in Col. 4.	19	19	19
7.	Jammu & Kashmir	The Scheme is not yet being implemented.					
	Kerala	1959-60	1959-60 Rs. 9,099 1960-61 Rs. 13,520 1961-62 Rs. 25,124 1962-63 Rs. 35,974 1963-64 Rs. 61,312 1964-65 Rs. 63,087 1965-66 Rs. 67,720	Information not readily available. The expenditure would normally be 50% of the amount in Column. 4	Masterplan Layout 12		
8.	Madhya Pradesh	1959	1959-60 Rs. 21,000 1960-61 Rs. 25,000 1961-62 Rs. 29,000 1962-63 Rs. 61,000 1963-64 Rs. 34,000 1964-65 Rs. 32,000 1965-66 Rs. 38,700	50% of the amount in Co. 4.	222	222	222

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9. Madras	1958-59	1958-59	1958-59	1958-59	670	125	700
			Rs. 37	50% of the Expenditure indicated in Col. 4.			
			Rs. 73				
			Rs. 74				
			Rs. 84				
			Rs. 90				
			Rs. 117				
			Rs. 118				
			Rs. 116				
10. Mysore	1958	1958	1958-59	50% of the expenditure indicated in Col. 4.	Master Plan Layouts 480	Details not given	112
			Rs. 22,831				
			Rs. 35,233				
			Rs. 38,910				
			Rs. 63,000				
			Rs. 69,000				
			Rs. 67,000				
			Rs. 81,000				
			Rs. 1,21,989				
11. Maharashtra	1958	1958	1958-59	50% of the expenditure indicated in Col. 4.	412	60	682
			Rs. 19,965				
			Rs. 36,088				
			Rs. 51,038				
			Rs. 58,809				
			Rs. 64,181				
			Rs. 67,775				
			Rs. 76,553				
			Rs. 72,952				
12. Nagaland							
13. Orissa	1958-59	1958-59	1958-59		143	30	Socio Economic survey-230 Physical Engg. survey-208
			Rs. 40,443	Rs. 24,000			
			Rs. 35,603	Rs. 74,000			
			Rs. 49,549	Rs. 20,000			
			Rs. 51,041	Rs. 23,000			
			Rs. 50,951	Rs. 13,000			
			Rs. 61,876	Rs. 17,000			
			Rs. 57,731	Rs. 25,000			
			Rs. 84,199	Rs. 25,000			

The Scheme is not being implemented.

14. Punjab	Feb., 1959	(Information for the years 1958-59 to 1961-62 not furnished)	93	20	Details not given	404
		1962-63 Ra. 77,312 50% of the amounts in 1963-64 Ra. 29,648 Col. 4.				
		1964-65 Ra. 28,522				
		1965-66 Ra. 38,485				
15. Rajasthan	Oct., 1957	Information not furnished by the State Govt. Again asked for will be furnished when received.	Master Plan 404 Besides, Master Plan of 50 villages had to be revised.	105		
16. Uttar Pradesh	1958	Rs. 371,322 from 1957-58 upto Sept., 1965.	803	26		565
		Although the State Govt. have given no indication 50% of the expenditure given in Col. 4 would have been borne by Centre.				
17. West Bengal	1958	From Spt., 1958 to M.Reb, 1961 the expenditure was less than Rs. 76,000 per annum.	112	information not given		112
		1961-62 Rs. 74,000 50% of the expenditure 1962-63 Rs. 88,000 each year, 1963-64 Rs. 87,000 subject to 1964-65 Rs. 86,000 a maximum of Rs 40,000				

Union Territories

1.	Andaman & Nicobar Islands	No Rural Housing Cell has been set up.	
2.	Delhi	do.	Layour Plans for 19 villages prepared by the Deve-lopment Community.
3.	Himschal Pradesh	do.	
4.	L. M. & A Islands	do.	
5.	Manipur	Reply is awaited	
6.	Pondicherry	No Rural Housing Cell in existence.	
7.	Tripura	No Rural Housing Cell as such has been set up [However, a unit consisting of one Asst. Engineer, one Overseer, one Drafts man, One U.D.C., etc. looks after the technical work relating to V.H.P.S C.D. Programme, Tribal Welfare, Rural Water Supply Schemes LIGHS and M.I.G.H.S. The total annual expenditure on this Units is Rs. 27,5700.]	
8.	Gos, Daman & Diu	The V. H. P. S. is not being implemented in these territories.	
9.	NEFA		
10.	Chandigarh		

APPENDIX VIII

(Pl. see para 43 Page 72 of Report)

Statements showing the administrative expenditure incurred in the implementation of the Village Housing Projects Scheme at State and local level.

Bihar

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62	1,00,000	20%
1962-63	Do.	14.5%
1963-64	Do.	71.4%
1964-65	Do.	64.5%
1965-66	Do.	28.6%

Uttar Pradesh

The State Government have stated that as the Scheme is implemented by the Director, Panchayat Raj, at the State level and by the Block Development Officers at the local level and as this work under the Scheme was done by them in addition to their own work, it is not possible to give this information.

Kerala

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62	25,123.18	8%
1962-63	35,974.06	6%
1963-64	61,312.39	6%
1964-65	63,086.66	6%
1965-66	67,190.61	7%

Nagaland

The information is nil as the Scheme is not being implemented in this State.

West Bengal

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62 . . .	76,000	15.2%
1962-63 . . .	88,000	17.6%
1963-64 . . .	87,000	17.4%
1964-65 . . .	86,000	28.6%
1965-66 . . .	80,000	40%

Madhya Pradesh

The State Government have furnished the information in respect of the Rural Housing Cell only.

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62 . . .	35,000	3.6%
1962-63 . . .	61,079	5.1%
1963-64 . . .	23,033	4.6%
1964-65 . . .	43,311	6.8%
1965-66 . . .	52,725	12.9%

Mysore

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62	68,778	4.7%
1962-63	69,696	5.3%
1963-64	67,134	12.6%
1964-65	79,250	7.1%
1965-66	1,27,518	6.1%

Gujarat

Virtually no expenditure was incurred towards the administration of the Scheme as the State granted loans direct to the Panchayats and the repayments were also made by the Panchayats.

Assam

	Administrative expenditure	Percentage to total outlay
	(Rs. in lakhs)	
1961-62	0.30	15%
1962-63	0.28	9.3%
1963-64	0.26	59.1%
1964-65	0.28	66.6%
1965-66	0.30	15%

Maharashtra

A sum of Rs. 3,58,270 was incurred during the Third Plan period for the establishment of the Rural Housing Cell as against the total allocation of Rs. 2 crores for the plan period. No other expenditure has been incurred.

Madras

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62	84,673	10.4%
1962-63	90,660	8.5%
1963-64	1,16,893	10.88%
1964-65	1,18,249	17.46%
1965-66	1,15,918	21.87%

Punjab

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62	96,810	19.2%
1962-63	78,380	11%
1963-64	29,231	Percentages not worked out as the allocations were nil.
1964-65	28,522	
1965-66	37,342	

Andhra Pradesh

The administrative expenditure on Rural Housing Cell incurred during the Third Plan period at State level in the implementation of the Village Housing Projects Scheme was Rs. 4.75 lakhs which constituted 12.59% of the total outlay under the Scheme.

Orissa

	Administrative expenditure	Percentage to total outlay
	Rs.	
1961-62	51,000	7%
1962-63	56,000	8%
1963-64	64,900	10%
1964-65	57,730	8%
1965-66	84,560	12%

Rajasthan

It has stated that the Rural Housing Cell primarily applied itself to preparation of Master Plans and therefore the question of relating total expenditure to the administrative expenditure did not arise.

Jammu and Kashmir:

It has stated that as no loan has so far been advanced, the question of administrative expenditure did not arise.

Tripura

The Government of Tripura have utilised a sum of Rs. 64,514 towards the expenditure on staff employed to deal with the Scheme at its headquarters. As no staff was given to the Block Development Officer for the implementation of the Scheme only a very petty expenditure was incurred by them from their contingency.

Delhi

As no separate administrative machinery has been created exclusively to deal with the implementation of Village Housing Projects Scheme, it has not been possible for the Administration to work out the quantum of administrative expenditure incurred by them.

Goa, Daman and Diu

The Village Housing Projects Scheme is not being implemented in this State.

Himachal Pradesh

No expenditure was incurred as the administrative work pertaining to this Scheme is being attended to by the Community Development staff in addition to their own duties.

Pondicherry

No separate expenditure was incurred to implement this scheme as the existing staff attended to this work in addition to their normal work.

N.E.F.A.

The Scheme has not been introduced in this Union Territory.

Manipur

No expenditure was incurred as no separate staff was appointed for the implementation of this Scheme.

Laccadives, etc., Islands

No expenditure was incurred, as no separate staff was appointed for this purpose.

Andamans and Nicobars

As the Village Housing Projects Scheme has not been introduced in this territory, the administrative expenditure is nil.

APPENDIX IX

Summary of Conclusions/Recommendations

Sl. No.	Reference to Para No. of Report	Summary of Conclusions/Recommendations
1	2	3
1	11	The Committee feel constrained to state that the formulation of the Village Housing Projects Scheme on the Puerto Rico pattern was based on inadequate understanding of the social and economic conditions prevailing in the rural areas of the two countries. They feel that this was the initial handicap of the scheme as there was hardly any similarity in the rural economic and social conditions obtaining in Puerto Rico and India. Moreover, the Committee regret to note that there was no serious attempt to implement the ideas and programmes put in the Second and the Third Plans with the result that the Scheme has not so far made any headway. The Committee would urge that such an important Social Welfare Scheme which affects a vast majority of the population should be prepared after a careful and realistic assessment of the needs and conditions of the people of our country.
2	14	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 respectively 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 and 20.1 per cent respectively in the Second and the Third Plans 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

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Second and the Third Plan periods. It is regrettable that even at the end of the Third Plan period the scheme is being implemented only in 2913 villages representing a shortfall of 42 per cent.

The Committee consider that the reasons for the shortfall in the scheme are such as would have been evident from the very beginning. In fact some of these difficulties were mentioned in the Report of the Committee on Environmental Hygiene in 1949 and were discussed at the various seminars on Housing held since then. From the changes made in the scheme from time to time, it is evident that apart 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 Governments 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.

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The Committee are surprised to note that while the number of houses to be constructed during the Second Plan period under the Village Housing Projects Scheme was laid down in the Second Plan period as 1,33,000, this was not broken up into State-wise targets by the Ministry. During the Third Plan period while the targets of construction of houses was 1,25,000, the targets fixed for the various States and Union Territories during the whole Plan period amounted to only 78,995 i.e. about 40 per cent of the overall targets remained unallocated. Against these targets the houses actually constructed during this Plan period amounted to 25,188 only.

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The Committee regret to note that a number of States particularly Bihar, Gujarat, Madhya Pradesh, Orissa, U.P. and Punjab have not shown the necessary interest in the execution of the Village Housing Projects Scheme and lagged much behind the targets fixed for them. While the Committee realise that the implementation of the scheme is the responsibility of the State Governments, they feel that the poor progress in the implementation of the scheme by the State Governments is partly due to lack of effective follow up measures by the administrative Ministry. It appears that careful watch had not been kept on the expenditure incurred by the various States on this scheme and the number of houses constructed. In a scheme which is aided by the Centre, it is expected that the administrative Ministry should keep a close watch on the progress of the scheme by the various States and should take initiative to solve the difficulties of the States which are lagging behind. The Committee recommend that effective measures should be evolved by the administrative Ministry in consultation with the State Governments to ensure that the schemes aided by the Centre are implemented by the States not only in letter but in spirit.

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It will be seen that quarterly progress reports are submitted very late by the States. Further the last quarterly reports submitted by Orissa, Punjab, Kerala and U.P. relate to the quarters ending 31.3.1964, 31.3.1965, 30.6.1965 and 31.12.1965 respectively.

This would indicate that neither the administrative Ministry at the Centre nor the States have taken up the work of implementation of the Scheme and watching its progress seriously. It is therefore no wonder that the progress of the schemes has been so poor. The Committee would urge that effective procedures should be evolved by the administrative Ministry in consultation with the State Governments to ensure that there are no delays in reporting the progress of the Scheme regularly.

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While the Committee realise the importance of rural housing, they also feel that the programme

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has to be integrated with the economic and general development of the rural area and should be such as not to burden the villager with a loan which he does not want or for which he does not have the capacity to pay back. The Committee would, therefore, suggest that the Planning Commission|Government should fix realistic targets for rural housing and at the time of review of the Annual Plan for the State Governments, provide funds strictly in accordance with the achievements and estimated requirements. They agree with the Working group that "The State Governments should also be asked to ensure that funds provided for housing schemes in the annual Plans are not diverted to other development projects during the course of the year."

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Government may like to examine the reasons for wide variations in percentage of Central Grants ranging from 7.2 per cent in the case of Madhya Pradesh to 44.36 per cent in the case of Bihar for Rural Housing and see whether these should also be related in some way to the urgency of the problem and the capacity for self-help.

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The Committee are constrained to observe that against the estimated overall Central Government expenditure of Rs. 752 and Rs. 1000 per house during the Second and Third Plan respectively the actual expenditure incurred per house amounted to Rs. 5233 and Rs. 1750 respectively. The average expenditure per house in each State during the Second Plan period has also fluctuated very widely. While it works out to Rs. 2041 in the case of West Bengal it is as high as Rs. 81,555 in the case of Punjab. Although the position improved during the Third Plan period, the average expenditure still ranged between Rs. 515 in West Bengal to Rs. 13,663 in Bihar.

Even if the figures of average cost per house given by the Ministry are taken into account the expenditure per house ranged from Rs. 500 in the case of West Bengal to Rs. 4,000 and Rs. 9,000 in the case of Punjab during the Second and Third Plan periods. While the Committee agree that preparatory work has to be done in

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implementing such schemes and making them popular with the beneficiaries, they would like to emphasise that the overall total expenditure has to be related to the actual physical performance intended to be achieved by that scheme. Viewed from that angle the performance of the scheme in terms of the houses built as compared to the total expenditure has not been very encouraging. The Committee would urge that while preparing the plans and programmes, realistic estimates of the targets to be achieved should be laid down for each State considering their local and regional conditions and it should be ensured that the achievements of the States generally correspond to the targets laid down and the financial resources made available to them. The Committee would urge that while preparing the Fourth Plan the physical and financial targets in respect of each State should be broadly determined under this scheme and the performance should be watched against them regularly.

The Committee need hardly stress that as rural areas of the country admittedly suffer from poor economic resources, every effort should be made to ensure that the outlay on rural houses is reduced to the minimum, consistent with the need for providing sanitary and healthy environmental conditions. The Committee have no doubt that Government would make every effort to bring down the Central Government expenditure per house in States such as Punjab, Har- yana, Kerala, Madras etc., where it is unduly high. The Committee also suggest that more or less a uniform expenditure per house should be insisted upon in each State allowing only a slight fluctuation due to local variations.

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The Committee note that the idea of total re- modelling of the villages except for the flood affected villages and villages in new colonies under the Village Housing Projects Scheme has been abandoned. In this connection they would point out that even in the Report of the Com- mittee on Environmental Hygiene in 1949 the difficulties in total remodelling of villages had been pointed out. It is surprising how in spite of the observations made by that Committee, the

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scheme of total remodelling of villages was at all included in the Village Housing Projects Scheme which ultimately proved unsuccessful.

The Committee also regret to note that the idea of selecting groups of villages for the scheme has not been implemented as yet. They feel that if the scheme had been introduced in compact groups of villages, it would have been possible not only to ensure better technical supervision over the construction of houses but also to arrange for the production of building material on a cooperative basis by setting up brick and lime kilns as well as workshop for producing other building components.

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The Committee regret to observe that there has been very slow progress in bringing about improvements in the laying of streets and drains in the villages by any of the States although the need for such improvements was stressed on the State Governments in September, 1962 and funds therefor were made available to them as outright grant from the Centre. This is yet another instance of lack of interest on the part of the authorities concerned to effect improvements in this vital matter. The Committee cannot over-emphasise the importance of sanitation and environmental hygiene in the villages which is of prime importance to bring about real improvements in the living conditions of the villagers. The Committee urge that utmost attention should be paid to this aspect otherwise the construction of new houses and improvement to the old houses envisaged under the scheme would have little meaning.

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The Committee are unhappy to observe that there has practically been no progress in providing house sites for landless agricultural workers in the villages although this scheme was introduced about 5 years ago in 1962. It is regrettable that none of the States and Union Territories have taken up the scheme seriously. While no action has been taken to introduce the scheme by the majority of the States, the progress in the four States which are implementing the scheme, is far from satisfactory. The Committee are distressed at the apathy of the State Governments in this vital matter. It is well known

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that the living condition of the landless agricultural workers in the villages is deplorable and can only be improved by constant, continuous and sympathetic endeavours by Government and the village communities. The Committee urge that earnest efforts should be made by Government to tackle this problem on a priority basis as a social measure of vital importance to the village community. They suggest that this programme should be made into a separate scheme. The Committee hope that necessary action will be taken by Government in this regard and that the progress in the implementation of the scheme would be closely watched by means of periodical progress reports.

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The Committee are in agreement with the views expressed by the Working Group. They feel that the scheme for providing house sites and housing colonies to the Scheduled Castes and Scheduled Tribes should be viewed from the overall angle of improving the living conditions of the village community as a whole, and should receive more energetic attention.

The Committee suggest that keeping in view the important role played by landless Scheduled Castes and Scheduled Tribes in agricultural production, Government should use the influence of social and local institutions such as Panchayats for improving the housing conditions of these backward classes of the community. The Committee have no doubt that if 75 per cent of subsidy being paid for housing of Scheduled Castes and Scheduled Tribes is well publicised and used, significant progress can be made in ameliorating the housing conditions of these backward sections of the community.

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The Committee note that there is a general lack of response to the taking of loans by the villagers under this scheme. This is partly due to the poor economic conditions of the villagers but mostly due to the various procedural difficulties in obtaining sanction for the loans or effecting its repayment in instalments by the loanees. The Committee suggest that the present rules for the grant of loans to the villagers under

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this Scheme should be reviewed and amended where necessary, to suit the economic conditions of the villagers. The Committee, in particular, would suggest that the question of simplifying the procedures for the grant of loan, eliminating scope for harassment of the loanee by the disbursing officials, increasing the number of instalments for its repayment, changing the time of repayment to coincide with the harvesting season and the granting of concession in the interest rate may be given serious consideration. In this connection the Committee would like to emphasise that there should be no relaxation in the recovery of loans as they apprehend that once the dues are allowed to remain outstanding, it may become rather difficult to enforce recovery later on. The Committee would also like to stress that to enable the villagers to maintain their houses in good conditions and to repay loans, it is necessary that there is general improvement in their economic condition. This could be brought about by providing them the means to increase agricultural production as well as employment opportunities locally. The Committee therefore recommend that along with the schemes for improving the housing conditions of the villagers, effective measures should be taken simultaneously to uplift their general economic conditions by initiating suitable agro-industrial programmes to enable them to take advantage of such schemes in increasing numbers.

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The Committee are not happy at the performance of the State Rural Housing Cells. They consider that greater attention should have been paid by these Cells to the conducting of socio-economic and technical surveys of the villages and preparing type designs of houses for the various categories of village inhabitants. The Committee consider that unless it is ensured that new houses constructed under the Scheme conform broadly to the type designs, it is likely that the old style of houses would continue to be constructed even under this Scheme, thereby perpetuating the unhygienic and insanitary conditions in the villages. The Committee suggest that the working of the State Rural Housing cells should be

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reviewed with a view to improve their working.

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The Committee are not clear how the capacity of the six centres has been calculated as 360 when the authorised training capacity of the course for overseers and junior engineering students is 30 each and the duration of the course is only two to three months. The Committee feel that if the training capacity is put to optimum use it should be possible to arrange for at least four courses in a year for overseers and junior engineers, which would result in training of $180 \times 4 = 720$ personnel in a year. The Committee would further like to point out that even on the basis of 360 shown as the capacity for training by the Ministry, the percentage has gone down without perhaps attracting any appropriate action by the authorities. The percentage has gone down from 80 in 1961-62 to 44.5 in 1965-66. The Committee feel that if it is necessary to provide training for overseers, junior engineers and others in Rural Housing in these research-cum-training centres, then either a systematic effort should be made to put to optimum use the existing training capacity or to reduce the training facilities and training staff to accord with the realistic assessment of the requirements, so as to avoid infructuous expenditure.

There is also great disparity in the number of overseers, junior engineers trained so far by each centre. While Valabh Vidyanagar Anand Centre has imparted training to 404 overseers, the New Delhi Centre has trained only 160 men so far. The Committee regret to note that out of about 5000 B.D.Os. working in the country, only 175 have so far been deputed for training in spite of the fact that the B.D.O. is the king-pin for all rural development. While no B.D.O. has so far been trained by the New Delhi and Anand Centres, only 7 have been trained by the Howrah Centre. The Committee would like Government to analyse the reasons for wide

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variations in utilisation of these training centres and take suitable remedial measures in consultation with State Governments|Union Territories.

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The Committee are surprised that in the course of 5 or 6 years, the Government have spent only 40 per cent of the grant made by the Ford Foundation. They cannot but take it as indicative of the administration's lack of interest in the programme. The Committee also note that out of 90 houses proposed to be constructed only 56 have been completed so far and the rest are under way. They also note that out of 56 houses completed so far as many as 16 are located in the campus of the Engineering Colleges. The Committee are not convinced that the location of these houses in the campus area really serves the purpose of demonstration and exhortation to the villagers and would urge that the demonstration houses should be so located as to attract the imagination and interest of as large a number of villagers in the area, as possible. In the opinion of the Committee the campus of a university or an Engineering College situated in a city would not appear to be an ideal location for demonstration houses.

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The Committee note that the work of these research-cum-training centres has been evaluated twice by an Evaluation Committee. The Committee would, however, like to stress that in assessing the work more emphasis should have been laid on the tangible results achieved by these centres, particularly the extent to which the results of their research have been applied in actual practice in the villages. The Committee have no doubt that these centres can do a great deal in evolving standards and specifications using local material and consistent with the level of income of the villagers as well as in educating them to construct low-cost houses. They hope that greater emphasis would be laid on the actual application of results of research and the methods and specification evolved by these centres for cheaper construction in future.

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The Committee feel that the cost of construction of demonstration houses ranging between

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Rs. 3,600 to Rs. 3,700 per unit, excluding the cost of land, is on the high side, considering the generally poor economic conditions of our villagers. The Committee have no idea as to how the cost of these demonstration houses has been worked out or the extent to which locally available raw materials have been used in these houses. The Committee would however strongly stress that every effort should be made to bring down the cost of construction by improving the designs and by making the best use of the materials locally available.

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The Committee are not convinced by the reasons advanced by the Ministry regarding the wide variations in the administrative expenditure in the various States. The Committee would like Government to keep a careful watch on the percentage that the administrative expenditure bears to the total outlay with a view to reduce it to the minimum. The Committee think that it may be desirable to fix a definite percentage leaving some scope for some variations due to local conditions.

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The Committee are unhappy to note that there does not exist any effective coordination amongst the various Ministries viz. Works, Housing and Supply, Food and Agriculture, Community Development, Ministry of Health and Social Welfare in the matters of implementation of programmes of Rural Housing. The Committee cannot over-stress the need for close liaison among these Ministries. The Government may also consider the desirability of setting up a Central Housing Board with a separate division for rural housing to co-ordinate and handle the various housing schemes in the rural areas.

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The Committee consider that the super-structure of rural housing scheme can be built only if the economic base of the people in the rural areas is strengthened. The Committee therefore feel that an integrated approach towards rural development which would cover improved agricultural practices and production methods, better irrigation facilities, flood control measures,

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improved water supply, supply of power, development of agro-based small scale industries, etc., can only provide the true base for a meaningful programme of Rural Housing.

The Committee further feel that Government agencies should make continuous efforts to improve the layout and drainage of the villages so as to make them hygienic and sanitary. In the matter of housing, stress should be laid on demonstration of practical methods of constructing hygienic and well-ventilated houses at a cost which is within the reach of the common man. More emphasis should be placed on self help with provision of loan facilities at cheaper rate of interest so as to bring about improvement in Rural Housing conditions. The Committee would like Government to make available the layout and designs of houses, best suited to rural conditions to all aspiring villagers through the agency of local authorities such as Panchayats and Community Development authorities, irrespective of the loan requirements. The key-note in designing rural houses should be utility, coupled with economy and ease of construction, with particular emphasis on factors such as climate, living habits, customs and utilisation of local materials, etc. The Committee think that the rural housing scheme should be a part of the integrated scheme of improving the social hygiene and the social and individual habits of the villagers.

As regards model layout for villages, the Committee feel that though these should be vigorously implemented in new colonies or in villages susceptible to floods while relocating their sites, attempts should be made even in existing villages to improve the layouts, roads, drains and sanitary arrangements. The Committee are convinced that if serious attempts are made to transform the rural set up into model villages developed at economic cost, these would act as an exhortation and example to others. The Committee feel that rural housing should be integrated with well thought out and efficiently executed plans of rural development.

21 46 The Estimates Committee have taken up the examination of the subject of Rural Housing as a sequence to their examination of the programmes of Rural Works, Community Development and Rural Industrialisation during the previous year. Not having been impressed with the working of the latter three programmes, the Committee did not expect that any significant progress would have been made in the Rural Housing Scheme. Yet, the Committee had hoped that some serious thought would have been given to this subject as it had been included in the Five Year Plans.

The importance of Rural Housing as an effective instrument for raising the level of living of the village people, providing them better opportunities for work and as a vital element in the transformation of rural life, had been recognised long time back. The importance of Rural Housing Scheme was emphasized even in the First Plan document and resources allocated for the purpose in the subsequent Five Year Plans, but the Committee have been constrained to note that no serious attempt has been made to implement the scheme. The Committee feel that the fundamental mistake was to start the scheme on the pattern of Puerto Rico. The Committee fail to understand how Government or the Planning Commission could find any similarity in the rural conditions obtaining in India and Puerto Rico. The Committee fully endorse the statement made in the course of official evidence by the Secretary of Ministry of Works, Housing and Supply that the rural conditions of the two countries differ basically. It simply shows that when some foreign experts put forth any idea before any responsible person in the administration, it is often taken up without proper scrutiny and examination of its intrinsic merit. The Committee feel that at least in the matter of rural development, the sooner the Government can make its own schemes on the basis of realistic assessment of the needs of the rural population and the conditions prevailing in our country and not on the basis of some alluring suggestions from some foreign experts which are neither re-

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levant nor related to the circumstances obtaining, the better it is for the village communities.

The Committee would like to stress that the task of improving the housing conditions in the villages has to be viewed not as an isolated objective, but as part of an integrated scheme of rural reconstruction which includes improvement of agricultural production, cooperative working in as many fields as possible, rural water supply, drainage, sanitation, village roads, welfare programmes for scheduled castes and other backward classes and programmes for promoting more work and better living conditions for village artisans. Rural housing is, therefore, intrinsically a part of community development and village planning and has to be considered in the background of the general economy and social development of rural areas. A number of Ministries in the Central Government, e.g., Ministries of Works, Housing and Supply; Health; Community Development & Cooperation; Agriculture; Social Welfare and corresponding departments in the State Governments are concerned with the execution of rural development programmes the Committee have regretfully observed that there has not been much coordination amongst the various agencies which are concerned with one or the other aspect of rural reconstruction can only lead to unbalanced development of rural life. Without a proper layout, drainage or suitable sanitary arrangements and in the absence of improved communications and arrangements for the disposal of sewage and waste products or without provision for the supply of drinking water, or agricultural and economic development, simply owning a better house would almost mean nothing to a villager. It has been contended that a proper layout of the village with arrangements for roads and drainage is very difficult in the existing villages and can be experimented only in settling new villages. The Committee are not inclined to accept this statement. They feel that even within the existing set-up of the villages, with slight modifications in the location of the houses through coopera-

tive efforts, considerable improvement can be effected in the layout of the village and for the provision of roads, drainage, manure pits, sanitary latrines and such other simple and essential amenities of decent living.

The Committee had an opportunity of visiting some villages in the Union Territory of Delhi where some houses have been constructed under the Village Housing Projects Scheme but to their surprise they found that even in those new houses, no provision had been made for latrine or urinal or for drainage. Nor had any arrangement been made for better light and ventilation. They also saw cattle and human beings living under the same roof, if not in the same room. They feel that if this scheme is implemented in this manner, it would only mean perpetuating the insanitary conditions and the outdated traditions and institutions of the villages. There should have been an attempt on the part of the administration to see that better living conditions are created and better social habits are encouraged.

It seems that the administration has taken it for granted that all they are required to do under this scheme is to give some loans to the villagers for having a *pucca* house instead of a *kutchra* one. They have not taken much care beyond that. This apprehension of the Committee is confirmed by the fact that physical and socio-economic surveys had been conducted only in a few villages in each State while the programme envisages socio-economic surveys as a condition precedent to the introduction of the scheme.

The Committee also find that the declared policy of making this a scheme of 'aided self-help' has not received due consideration. Aided self-help in housing aims at helping people to build cheap houses out of materials available locally. Naturally education and guidance play a large part in the implementation of this programme. The Committee have regretfully noticed that hardly any attempt has been made by Government in this direction. The result has been that even the research and training centres

that have been established have proceeded more or less on stereo-type pattern and the cost of rural house has been estimated at about Rs. 3700. The Committee feel that if those centres had given due attention to the 'aided self-help' aspect of the scheme, it might have been possible for them to develop or to suggest locally available materials for the construction of the rural house. The Committee are not happy inasmuch as these research-cum-training centres have all been located in urban areas and some of them in highly sophisticated engineering institutions. They also find that these centres have not been fully utilised. During the Third Plan period, only 59 per cent of the authorised capacity of the six centres has been utilised and the utilisation of the capacity has been going down year after year from 80 per cent in the first year (1961-62) to 44.45 per cent in the last year (1965-66). It is surprising that this has not attracted the attention of the Government and no remedial steps have been taken. More depressing is the fact that only 175 B.D.Os out of over 5,000 have so far undergone training in these centres while in two of the centres no B.D.Os received any training. And this is inspite of the fact that the B.D.O. is the principal agency for all rural development.

Another depressing factor which has come to the notice of the Committee is the non-utilisation of the Ford Foundation grant for this scheme. Out of a grant of \$2,00,000, only \$80,000 has been utilised so far. Even though four years have elapsed it has been possible to build only 56 demonstration houses. Another 34 houses are still under construction. This would appear to the Committee to be due to lack of any seriousness on the part of the Government in implementing this scheme. The net result is that the rural housing scheme has failed to evoke a wide-spread desire among villagers to achieve the objective of better living which is the underlying aim of this scheme.

The Committee feel that the rural people constituting about 83 per cent of our population

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deserve better consideration from the Government. The rural areas are often subject to periodical natural calamities. The rural houses in most areas are mostly weak ramshackle structures and hardly conform to the minimum hygienic requirements. The scheme, though well conceived, has not been seriously implemented.

The Committee strongly feel that the entire scheme should be examined *de novo* in the light of the short-comings that have been noticed in its working. They also suggest that irrespective of the allocations that may be made for this purpose in the Fourth Five Year Plan, the Scheme should be taken up as part of an integrated plan for reconstruction of rural areas so as to achieve the aim of improving the social and economic conditions of the villagers to an appreciable extent.

APPENDIX X

Analysis of Recommendations/Conclusions contained in the Report

I. CLASSIFICATION OF RECOMMENDATIONS

A. Recommendations for improving the organisation and working:

S. Nos. 1 to 5, 8 to 16, 19 and 21.

B. Recommendations for effecting economy:

S. Nos. 7, 17 and 18.

C. Miscellaneous Recommendations:

S. Nos. 6 and 20.

II. ANALYSIS OF MORE IMPORTANT RECOMMENDATIONS DIRECTED TOWARDS ECONOMY:

Sl. No.	Sl. No. as per Summary of recommendations (Appendix IX)	Particulars.
1	7	The need for ensuring relative degree of physical performance in terms of overall expenditure cannot be over-emphasized. While preparing the plan outlay during Fourth Plan, it should be ensured that realistic targets are fixed so as to conform to the achievements. Rural areas being economically backward, efforts should be directed towards reduction in outlay on houses, consistent with the need to provide hygienic conditions. It is suggested that uniformity in expenditure should be observed, allowing for slight fluctuations varying according to local conditions as also curtailing the high ratio of construction cost in some States.
2	17	Earnest efforts should be made to bring down the unit cost of construction of demonstration houses by improving the designs and advantageously utilising the materials locally available to the full extent.
3	18	Judging the performance achieved so far, it is evident that there is much scope for exercising an effective check on the administrative expenditure as percentage to the total outlay, so as to ensure overall economy.

Sl. No.	Name of Agent	Agency No.	Sl. No.	Name of Agent	Agency No.
27.	Bahree Brothers, 188, Lajpatrai Market, Delhi-6.	27	33.	Bookwell, 4 Sant Narakari Colony, Kingsway, Camp, Delhi-9.	96
28.	Jayana Book Depot, Chaparwala Kuan, Karol Bagh, New Delhi.	66		MANIPUR	
29.	Oxford Book & Stationery Company, Scindia House, Connaught Place, New Delhi—1.	68	34.	Shri N. Chaoba Singh, News Agent, Ramlal Paul High School Annexe, Imphal.	77
30.	People's Publishing House, Rani Jhansi Road, New Delhi.	76		AGENTS IN FOREIGN COUNTRIES	
31.	The United Book Agency, 48, Amrit Kaur Market, Pahar Ganj, New Delhi.	88	35.	The Secretary, Establishment Department, The High Commission of India, India House, Aldwych, LONDON, W C.—2.	
32.	Hind Book House, 82, Janpath, New Delhi.	95			

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