

**GOVERNMENT OF INDIA
HOUSING AND URBAN POVERTY ALLEVIATION
LOK SABHA**

UNSTARRED QUESTION NO:135

ANSWERED ON:22.02.2011

MORTGAGE GUARANTEE FUND

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Yadav Shri Dharmendra

Will the Minister of HOUSING AND URBAN POVERTY ALLEVIATION be pleased to state:

(a) whether in view of high prices of property in urban areas the Government proposes to set up mortgage guarantee fund to cover the home loan risk for the poor;

(b) if so, the details thereof; and

(c) the time by which the Government is likely to reach a decision in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION (KUMARI SELJA)

(a) & (b): The Ministry of Housing & Urban Poverty Alleviation has submitted the proposal of Rajiv Awas Yojana for the consideration of the Cabinet Committee on Economic Affairs on 10th February, 2011. This scheme aims to provide support for shelter & basic civic and social services for slum redevelopment and creation of affordable housing stock to States that are willing to assign property rights to slum dwellers. Under the scheme, it is also proposed to set up a Mortgage Risk Guarantee Fund to encourage lending for affordable housing to EWS / LIG Households, for loans up to rs 5 Lakh with initial corpus of rs 1000 Crores from the Central Government.

(c): The definite time by which a decision in this regard is taken cannot be indicated at this stage.