

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

STARRED QUESTION NO:30  
ANSWERED ON:02.08.2011  
IMPLEMENTATION OF RAJIV AWAS YOJANA  
Gaikwad Shri Eknath Mahadeo;Owaisi Shri Asaduddin

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

- (a) whether the first phase of Rajiv Awas Yojana (RAY) to facilitate affordable housing for slum dwellers has been launched;
- (b) if so, the details and the salient features of the scheme;
- (c) the criteria adopted by the Government for selection of cities under the scheme along with the details of cities likely to be covered, State-wise;
- (d) whether the Union Government proposes to provide financial assistance to the State Governments for assigning property rights to slum dwellers; and
- (e) if so, the details thereof, State-wise?

**Answer**

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

(a) to (e) : A Statement is laid on the Table of the Sabha.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 30 FOR 02.8.2011 REGARDING IMPLEMENTATION OF RAJIV AWAS YOJANA

(a): In pursuance of the Government's vision of creating a Slum-free India, a new scheme 'Rajiv Awas Yojana' (RAY) has been launched on 02.06.2011.

(b): The Scheme will provide financial assistance to States that are willing to assign property rights to slum dwellers for provision of decent shelter and basic civic and social services for slum redevelopment, and for creation of affordable housing stock. Fifty percent (50 %) of the cost of provision of basic civic and social infrastructure and amenities and of housing, including rental housing, and transit housing for in-situ redevelopment – in slums would be borne by the Centre, including operation & maintenance of assets created under this scheme. For the North Eastern and Special Category States the share of the Centre would be 90% including the cost of land acquisition, if required.

In order to incentivize land assembly and increase affordable housing stock, as part of the slum containment strategy, the scheme of Affordable Housing in Partnership will be dovetailed with RAY and central support will provided at the rate of Rs. 50,000 per unit of affordable dwelling unit or 25% of the cost of civic infrastructure (external and internal), whichever is lower.

As a means of Credit Enablement, the Interest Subsidy Scheme for Housing the Urban Poor (ISHUP), will also be dovetailed with RAY, with the existing ceiling of the subsidized loan of Rs. 1.00 lakh.

The Government has approved the establishment of Credit Risk Guarantee Fund to facilitate lending to the urban poor for housing purposes, with an initial corpus of Rs. 1000 crore in the current year.

(c): The selection of the cities will be done in consultation with the Centre. The Scheme is expected to cover about 250 cities, mostly with population of more than three lakh, across the entire country by the end of 12th Plan (2017). The States would be required to include all the mission cities of JNNURM, preferably cities with more than 3 lakh population as per 2001 Census; and other smaller cities, with due consideration to the pace of growth of the city, of slums predominance of minority population, and areas where property rights are assigned. The scheme will progress at the pace set by the States. The list of 157 cities to which funds have been released for undertaking preparatory activities under Slum Free City Planning Scheme i.e. the preparatory phase of RAY is enclosed at Annexure.

(d) & (e): The central assistance under RAY is conditional to reforms by the States. The reforms required here are directly linked to the objectives of the scheme, and necessary for the scheme to be successful. The key reform under the scheme for availing financial assistance is enactment of law for assigning of property rights by concerned States/UTs.

