

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

UNSTARRED QUESTION NO:108

ANSWERED ON:22.11.2011

HOUSES FOR URBAN POORS

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Dharmshi Shri Babar Gajanan; Punia Shri P.L. ; Rawat Shri Ashok Kumar; Singh Rajkumari Ratna; Singh Shri Ilyaraj ; Thakor Shri Jagdish; Yadav Shri Dharmendra

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

- (a) the number of schemes formulated by the Union Government for providing housing facilities to the urban poor alongwith the present status thereof;
- (b) whether the Government has finalised the blue print for a scheme to enable a vast majority of the urban poor to own a house;
- (c) if so, the details thereof alongwith the eligibility criteria fixed for getting the benefit under the said scheme;
- (d) whether the banks are reluctant to extend credit to the economically weaker sections and low income groups;
- (e) if so, whether the Government proposes to stand guarantee for Rs. 5 lakh home loan to urban poor; and
- (f) if so, the details thereof?

Answer

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

(a): The Central Government is supporting the construction of housing for poor sections of the society in urban areas through various programmatic interventions viz:

The Jawaharlal Nehru National Urban Renewal Mission (JNNURM), launched by the Government in the year 2005 supports provision of housing and basic services to urban poor in slums in 65 specified cities under the Sub Mission Basic Services to the Urban Poor (BSUP) and in other cities and towns under the Integrated Housing and Slum Development Programme (IHSDP). As on 01.11.2011, a total of 1501 projects under BSUP and IHSDP with total project cost of Rs. 39,654.58 crores along with Central Share (ACA) of Rs. 21,548.87 crores was approved for construction of total 15,62,211 Dwelling Units.

The Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) provides for interest subsidy of 5% on housing loans up to Rs. 1 lakh to the Economically Weaker Sections (EWS) and Low Income Groups (LIG). As on September, 2011, 8,370 beneficiaries have been covered and Net Present Value (NPV) of Interest Subsidy of Rs. 7.25 crore has been released.

Under the scheme of Affordable Housing in Partnership (AHP) central support at the rate of Rs 50,000 per unit of affordable dwelling unit or 25% of the cost of civic infrastructure, whichever is lower would be provided. As on date project cost of Rs. 792.04 crores with total Central Share (ACA) of Rs. 53.96 crores have been approved and 19, 100 dwelling units have been sanctioned under this scheme.

(b) & (c): In pursuance of the Government's vision of creating a Slum-free India, a new scheme 'Rajiv Awas Yojana (RAY)' has been finalized and accordingly launched on 02.06.2011 with a budget of 5,000 crores to cover about 250 cities. Under the Scheme 50% of the cost (90% in case of North Eastern States) of provision of basic civic and social infrastructure and amenities and of housing in slums would be borne by the Centre, including operation & maintenance of assets created under this scheme. The Scheme is expected to cover about 250 cities, across the entire country by the end of 12th Plan (2017). The selection of the cities will be done in consultation with the Centre. 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. Funds have been released to 157 cities for undertaking preparatory activities under Slum Free City Planning Scheme - the preparatory phase of Rajiv Awas Yojana.

(d) to (f): The Commercial Banks and Housing Finance Corporations (HFCs) prefer to service middle and high income groups based on their risk perceptions. As a result, housing credit needs for the EWS/LIG gets marginalized. The Government of India has approved the creation of Credit Mortgage Guarantee Fund under RAY which envisages Credit Mortgage Guarantee on lending up to Rs. 5 Lakh for housing purposes to EWS / LIG beneficiaries. with an initial corpus of Rs. 1000 Crores.