

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

UNSTARRED QUESTION NO:3107
ANSWERED ON:24.04.2012
MFIS IN AFFORDABLE HOUSING
Tandon Annu

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

- (a) the steps taken/being taken by the Government to make the country slumfree and provide affordable housing for all by the year 2020;
- (b) whether the Government is considering involving Micro Finance Institutions (MFIs) in urban areas for poverty alleviation programmes; and
- (c) if so, the details thereof?

Answer

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

(a): This Ministry is implementing the Basic Services to the Urban Poor and Integrated Housing and Slum Development Programmes under Jawaharlal Nehru Urban Renewal Mission which focus on basic services to the urban poor and integrated development of slums.

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.

The Phase I of Rajiv Awas Yojana is for a period of two years from the date of approval of the scheme. 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. The scheme emphasizes a 'whole city' 'all slums' 'whole slum' approach.

Under the Scheme, 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.

The Affordable Housing in Partnership Scheme, which is intended to encourage public private partnerships for the creation of affordable housing stock has been dovetailed with RAY. Under this scheme 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.

To enable the urban poor to obtain credit for home loans at affordable rates, the existing Interest Subsidy Scheme for Housing the Urban Poor (ISHUP), which provides 5 % interest subsidy on loans up to Rs. One lakh, has also been dovetailed with RAY.

It is not possible to indicate a time frame for providing affordable housing for all.

(b) & (c): No, Madam.