

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:6683
ANSWERED ON:17.05.2012
SUGGESTIONS OF SRIDHAR COMMITTEE
Ramasubbu Shri S.

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Committee headed by Shri Sridhar has suggested for providing houses to all the houseless families in the country by involving banking system.
- (b) if so, the details thereof;
- (c) whether the Committee has also recommended increasing the grant to BPL families from the existing limit of Rs.45,000;
- (d) if so, the details alongwith the action taken by the Government thereon; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a) to (c): A committee was set up under the Chairmanship of Shri S.Sridhar, to suggest bankable schemes so that funds are made available to larger number of people belonging to BPL, EWS & APL categories, through Financial Institutions for rural housing. The Committee submitted its recommendations to the Ministry. The salient recommendations of the Committee are:

(i) For Below Poverty Line (BPL) households, the unit assistance under the Indira Awas Yojana (IAY) be increased to Rs. 75,000. The amount of loan admissible to such households under the Differential Rate of Interest (DRI) scheme be raised to Rs. 50,000 for which the repayment period be extended to 15 years;

(ii) For Above Poverty Line (APL) households, loans may be given:

Upto Rs. 2 lakhs for construction of a new house and Rs. 1 lakh for addition/up-gradation/repair of old house at 5 % interest subsidy;

OR

Upto Rs. 3 lakhs for construction of a new house and Rs. 1.5 lakhs for addition/up-gradation/repair of old houses with 4 % interest subsidy.

(iii) Both BPL and APL households may be given loans for (a) housing and (b) income generating activities with an interest subsidy of 5%. The loan amount to be decided by the lending institutions based on credit worthiness of the borrower. The maximum loan amount may not exceed:

(Amount in Rs.)

Nature of Houses	BPL	APL		
	Housing	Income Generating	Housing	Income Generating
	Activities	Activities		

New Construction	90,000	10,000	2,70,000	30,000
Up-gradation	25,000	10,000	50,000	30,000

(iv) The committee has recommended group-based lending approach for rural housing for giving better results.

(d) & (e): The Report of the Committee was referred to the State/UT Governments for their comments and also placed before the Working Group on Rural Housing set up by the Planning Commission for the 12th Five Year Plan. The Working Group deliberated upon the recommendations made by the Sridhar Committee and subsumed to the extent found feasible in its report submitted to the Planning Commission on 13/10/2011. It has recommended bankable schemes for APL and BPL categories.

