

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

UNSTARRED QUESTION NO:7482

ANSWERED ON:22.05.2012

ISHUP

Chavan Shri Harischandra Deoram;Naranbhai Shri Kachhadia;Singh Shri Sushil Kumar

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

- (a) the details and the present status of the working of Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) in the various States of the country including Bihar, State-wise;
- (b) whether the Union Government is considering to enhance the limit of 5% subsidy in interest payment for loan upto Rs. 1 lakh and discussed the issue with banks and housing finance companies for providing low cost housing units to the Economically Weaker Sections in urban areas;
- (c) if so, the details thereof and the time by which it is likely to be implemented;
- (d) whether the Union Government proposes to encourage public private partnership in affordable housing schemes to make them more effective; and
- (e) if so, the details thereof and the action taken thereon so far?

Answer

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

(a): The Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) was launched with a view to provide interest subsidy @ 5% to Economically Weaker Section (EWS) and Low Income Group (LIG) beneficiaries on availing housing loans upto Rs. 1.0 lakh from the Banks / Housing Finance Companies (HFCs). This was launched as a demand driven pilot scheme.

Cumulatively, as on 31/03/2012, 10,215 beneficiaries have been covered under the Scheme and a total Net Present Value (NPV) of interest subsidy of Rs. 9.2 crore has been released. As on date, no one from Bihar has availed benefit under the scheme. The details of the State-wise and year-wise progress under the scheme is enclosed as Annexure.

(b) & (c): Yes. An Advisory Committee comprising of the representatives of State Governments and Banks/Financial Institutions was constituted to review the existing scheme of ISHUP, analyse the causes for its slow off- take and suggest practical modifications to make the scheme widely acceptable with the ultimate objective of channelizing flow of credit to the EWS and LIG beneficiaries. This Ministry intends to revamp the scheme, but since it is at the conceptualization stage no time frame can be assigned for the same.

(d) & (e): National Urban Housing and Habitat Policy (NUHHP), 2007 focuses the spotlight on multiple stake-holders namely, the Private Sector, the Cooperative Sector, the Industrial Sector for labour housing and the Services/Institutional Sector for employee housing. In this manner, the Policy seeks to promote various types of public-private partnerships for realizing the goal of Affordable Housing For All.

The Affordable Housing in Partnership Scheme (AHP), launched as a part of the strategy for implementation of the NUHHP, 2007 is intended to encourage public private partnership (PPP) for the creation of affordable housing stock. It has now been dovetailed with Rajiv Awas Yojana (RAY). Under this scheme, central support is 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. The scheme extends to all cities covered under RAY and rental housing units as well as dormitories for new migrants are also permissible under the scheme. Under AHP, after it has been dovetailed with RAY, 8 projects have been sanctioned with a central assistance of Rs. 2.22 Crore for construction of 5776 Affordable dwelling units.