

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

UNSTARRED QUESTION NO:225
ANSWERED ON:09.07.2014
CREDIT RISK GUARANTEE FUND
Dubey Shri Nishikant

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

- (a) the current status of providing affordable dwelling units to the poor in the urban areas in the various States including Jharkhand in the country;
- (b) whether the Government has created a Credit Risk Guarantee Fund (CRGF) for promoting low income housing in the country;
- (c) if so, the details thereof;
- (d) the number of people belonging to economically weaker sections/low income groups benefitted so far from the scheme, State-wise; and
- (e) the extent to which the project is likely to help the poor in having affordable housing units?

Answer

THE MINISTER OF HOUSING & URBAN POVERTY ALLEVIATION (SHRI M. VENKAIAH NAIDU)

(a): It is the primary responsibility of States to provide affordable housing to all citizens including Economically Weaker Sections (EWS), as 'Land' and 'Colonization' are State subjects. However, in order to supplement the efforts of the State Governments in addressing the issue of housing shortage, this Ministry has implemented following programmes with the objective to provide affordable dwelling units to the poor in the urban areas in the various States including Jharkhand in the country:

(i) Jawaharlal Nehru National Urban Renewal Mission (JNNURM): For rehabilitation of slum dwellers Government launched the JNNURM on 3rd December, 2005 for assisting State Governments in providing housing and basic civic services like water, sanitation etc to urban poor/ slum dwellers in 65 select 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). JNNURM has been extended upto March, 2015 for completion of projects sanctioned upto March, 2012. The state-wise details of projects under the scheme is at Annexure-I

(ii) Rajiv Awas Yojana (RAY): Government of India launched RAY in June 2011 in two phases; the preparatory phase for a period of two years which ended in June 2013. Government of India has approved the implementation phase of RAY in September, 2013 for the period of 2013-2022. The Central support under the scheme is admissible to States/UTs and Central Government Agencies for providing housing including new houses, incremental houses, rental houses, transit housing and development/improvement of basic civic & social infrastructure under the scheme. The state-wise details of projects under the scheme is at Annexure-I.

(iii) Affordable Housing in Partnership (AHP): As an integral part of RAY, the competent authority has also approved continuation of implementation of Affordable Housing in Partnership (AHP) Scheme. The scheme has been amended to provide Rs 75,000 per EWS/LIG dwelling unit of 40 sqm size for housing and internal development components with an objective to encourage private sector participation in affordable housing. The state-wise details of projects is at Annexure-I.

(iv) Rajiv Rinn Yojana (RRY): Government of India has implemented RRY with effect from 1st October 2013. Under this Scheme, an interest subsidy of 5% p.a for loans upto Rs 5.00 lakhs and for tenure of 15-20 years, will be provided to EWS/LIG housing loan borrowers in Urban Areas availing loans from Financial Institutions i.e Scheduled Commercial Banks & HFCs etc.

(b) to (e): Yes Madam, the Credit Risk Guarantee Fund Trust for Low Income Housing has been set up by the Government of India on 1st May, 2012. The scheme provides guarantee for housing loan upto 5 lakh sanctioned and disbursed by the lending institutions without any collateral security and/or third party guarantee to the new borrowers in the EWS/LIG categories in urban areas. National Housing bank is the Nodal agency for operationalizing CRGF. The CRGF is expected to catalyse a flow of credit of about Rs.20,000 crores to the low housing sector and create an enabling environment for creation of affordable housing stock. The total corpus fund of the Trust is Rs.1000 crore. Government of India has so far released Rs.150 crore as corpus of the fund.

As on date 46 Member Lending Institutions (MLIs) have executed the Memorandum of Undertakings (MoUs) to participate in the scheme. The CRGF Trust has so far issued guarantee cover in respect of 116 loan accounts (targeted beneficiaries) involving a total loan amount of Rs.3.28 crore provided to EWS/ LIG households. The State-wise and income group wise bifurcation of EWS/LIG loan

accounts against which the Trust has issued the Guarantee cover to MLIs is at Annexure-II.