A. The Economic and Social Context:

India is a vast country with a multi-ethnic population of nearly 850 million living in an area of 3,287,263 square kilometers, indicating a density of almost 260 persons per square kilometre. Its population continues to grow steadily at 2.1 percent adding over 16 million each year, i.e., the equivalent of Australia's total population. India's urban areas—broadly defined as settlements with a population exceeding 5,000 and with 75 percent of the activities being of a non-agricultural nature—have well over 200 million people. For the period 1981-86, the urban population grew at an estimated annual average of 4.3 percent, compared to a projected 3.8 percent growth for 1986-91. According to the 1981 Population Census, India's urban population lived in 3949 towns of which approximately 39 percent of the population lived in cities larger than half a million people. In 1981 there were 12 cities with over 1 million people which accommodated over a quarter of India's urban population. According to some estimates at present, there are 20 cities with over one million people. Bombay, Calcutta, Delhi and Madras are the four largest cities, the first two of which already have over 10 million people.

The Indian economy over the long run has been characterised by low levels of national income and slow growth of GDP. GDP increased at an average annual rate of 3.7 percent between
1965-80, and 4.6 percent between 1980-87. GNP in per capita terms was $300 (1987). So far as savings and capital formation are concerned, the performance has been commendable although recently there has been some slackening in the savings rate which is presently around 23 percent. On the price front, the government has been able to restrict the inflation rate to an average of under 8 percent.

Most of India's growth in GDP has however been dampened by its increasing population. Long-term growth of GNP in per capital terms was account 1.8 percent per year (1965-87), although since 1980, this growth rate has been close to 2.7 percent per year. Sectoral changes reflect the gradually changing economic structure away from agriculture and towards industry, transport and communications—mainly urban based sectors. The share of agriculture and allied activities has been falling steadily since 1950 and is around 30 percent. Industry and service sectors' shares have risen over the period and they are currently around 30 percent and 40 percent respectively. Despite the fall in the agricultural sector's share of the economy from 60 to 30 percent, its workforce has remained a constant 70 percent of the total. This is in sharp contrast to the experience of other countries where the agricultural workforce has shown a marked decline.

On the industrial front, an attempt has been made to
make the country self-sufficient through a policy of import substitution. Also, despite many drawbacks in India's policies, the country has made considerable industrial progress demonstrated by the fact that in the last 4-5 years, the value added in the manufacturing sector has grown at about 8.5 percent per annum. Although this growth rate has been confined to only a few sectors such as electronic equipment, telecom and cement, India has been able to achieve a reasonably diversified, decentralised manufacturing base. It should be mentioned that unlike other countries' experiences, India does not exhibit a corresponding development of service industries.

The proportion of the country's people living below the poverty line estimated on the basis of consumer expenditure distribution, has been steadily declining to its current level of approximately 26 percent, over 60 million of whom live in urban areas. In the four largest cities of Delhi, Bombay, Calcutta and madras, over half of the population is estimated to experience poverty. many of these poor have some kind of job though poverty is largely the result of low productivity. Also, a very large portion of them work in the informal sector, a sector which accounts for 45 percent of the total labour force in urban areas. The informal sector is, however, a vibrant sector which provides a variety of goods and services.

B. The Housing Shortage in India:

The stark reality of India's current housing deficit
cannot be overshadowed by improved growth rates in the housing stock. Comparing the 1960's with the 1970's urban housing growth increased from 31.2% to 51.4% over these respective ten year periods while that of rural areas improved from 14.3% to 19.1%. The urban stock in 1971 consisted of 64 percent pucca units, 23 percent semi-pucca units and 13 percent kutcha units. These percentages have remained unchanged over the period 1971-81.

Besides, the housing stock has not kept pace with prevalent demand. Furthermore, the estimated age composition of the 1981 housing stock indicates that about 21 percent of the stock is more than 40 years old and about 10 percent is more than 60 years old. Most of these units are dilapidated and warrant attention.

At present, estimates indicate that 29 million dwelling units are needed to balance the existing housing deficit of which about 25 percent are for urban households for whom the deficit increases by an estimated half million units per year. According to estimates by the National Buildings Organisation, the urban housing deficit in 1981 was of the order of 5.9 million units. This is, however, an under statement of the problem. In 1981, out of a total urban population of nearly 160 million, 32 to 42 million (or 6 to 8 million households) were estimated to be in slums alone. Thus 20 to 25 percent of the urban population was living with multiple deprivation: (a) illegal land tenure, (b) a deficient environment, and (c) kutcha shelter.
1. Kutcha: A unit with mud walls and a thatched roof. (An 'unserviceable kutcha' has thatched walls)

Pucca: A unit with burnt bricks, metal or concrete walls and tiled, slated or corrugated metal roof.

Semi-Pucca: Units which do not fall under above categories.

2. The annual demand for new housing stock is close to 3 million units compared to an increase in housing stock of 2.5 million.
TABLE 3.1

URBAN HOUSING DEFICIT

<table>
<thead>
<tr>
<th>Components</th>
<th>Number (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Shelterless households</td>
<td>0.2</td>
</tr>
<tr>
<td>2. Overcrowding and congestion</td>
<td></td>
</tr>
<tr>
<td>(a) Excess of households over available housing units</td>
<td>1.1</td>
</tr>
<tr>
<td>(b) Number of married couples requiring separate room/house</td>
<td>0.3</td>
</tr>
<tr>
<td>3. Replacement of Kutcha units</td>
<td>3.1</td>
</tr>
<tr>
<td>4. Obsolescence/replacement of old housing units (over 80 years old)</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>5.9</td>
</tr>
</tbody>
</table>

Among the major reasons for the deficit are high prices for developed land, infrastructure, and housing construction. These result from various regulations and controls. The lack of institutional finance is another major constraint to the development of the housing sector. It is symptomatic that the share of housing investment in GDP has fallen from 5 percent in the 1960’s to 3 percent in the 1980’s. Also, the plan outlay on housing investment has fallen from 34 percent in the First Plan.

3. India has completed seven five-year economic development plans since independence in 1947 to 10 percent in the Seventh Plan. The net result is overcrowding, declining per capita floor
space, and increases in slum/squatter population. Although progress has been made with regard to providing access to water and sanitation, a large part of India's population still lacks these facilities.

C. Investment In Housing Recent Trends:

At the time of formulation of the Seventh Plan, the Central Statistical Office (CSO) had estimated the gross fixed capital formation (GFCF) in residential buildings in the public and private sectors at Rs.30.5 billion in 1980-81. Netting out an estimated Rs.700-800 million the share of public sector undertakings, the Plan document estimated GFCF in housing in the private sector at Rs.29.8 billion in 1980-81. At that time, CSO also estimated private sector investment in housing to have increased at current prices, by 62% between 1974-75 and 1979-80 or 12% per annum. Based on this, the Plan document assumed a growth rate of 10% per annum for the Sixth Plan and estimated private sector investment in the Sixth Plan at Rs.100 billion. Assuming the same growth rate to continue at 10% during the Seventh Plan period the estimated investment was put at Rs.290 billion.

4. Another contributory factor is an endless stream of migrants to larger towns/cities.
### TABLE 3.2

**GROSS FIXED CAPITAL FORMATION IN HOUSING**

<table>
<thead>
<tr>
<th></th>
<th>Residential Buildings</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>GDP at factor cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Private</td>
<td>Public</td>
<td>Total</td>
<td>Enterprises</td>
<td>Grand Total GFCF</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>59.14</td>
<td>5.08</td>
<td>64.22</td>
<td>19.28</td>
<td>83.50</td>
<td>550.05</td>
<td>2,340.63</td>
</tr>
<tr>
<td></td>
<td>68.80</td>
<td>6.42</td>
<td>75.22</td>
<td>25.59</td>
<td>100.81</td>
<td>634.61</td>
<td>2,606.80</td>
</tr>
<tr>
<td></td>
<td>77.42</td>
<td>6.20</td>
<td>83.62</td>
<td>27.76</td>
<td>111.38</td>
<td>702.54</td>
<td>2,933.06</td>
</tr>
<tr>
<td></td>
<td>89.00*</td>
<td>7.15</td>
<td>96.15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>102.40*</td>
<td>8.20</td>
<td>110.60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>396.76</strong></td>
<td><strong>33.05</strong></td>
<td><strong>429.81</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|               |          |       |        |        |        |        |                   |

* Projected at 15 percent  
** excludes public sector enterprises  
*** includes residential buildings of departmental and non-departmental enterprises

The Seventh Plan document emphasised however that an investment of this order was as observed earlier, inadequate to reduce the backlog in housing.

The new series of National Accounts, released by CSO in February 1988, provide data on estimates of GFCF in housing and
residential buildings. This data, available upto 1987-88 indicates that private sector investment in residential buildings grew by 15% during the Sixth Plan period as against the rate of 10% assumed for the Sixth Plan period.

Due to this rate of investment increase, investment in residential buildings in the Sixth Plan by the private sector amounted to Rs.208.2 billion as against the anticipated investment of Rs.180 billion. Including investments of the public sector, investment in residential buildings amounted to Rs.221.4 billion.

This increase in the growth rate of investment in the private sector has continued into the first three years of the Seventh Plan period for which data is available. Investment in housing in the Seventh Plan can therefore be assumed to grow at the same rate as in the Sixth Plan, at 15% per annum. This would suggest an investment of around Rs.397 billion in the Seventh Plan period, that is about Rs.107 billion more than the estimate at the time of formulating the Seventh Plan. Roughly speaking, investment in housing by the private sector may be expected to be about at Rs.80 billion per annum in the Seventh Plan as against Rs.41.6 billion per annum in the sixth plan. The current housing shortage is 31 millions which expected to rise to 41 million by the year 2000.

Approximately Rs.200,000 crores will be required to alleviate the housing shortage by the year 2000.
The gross capital formation in housing has shown a declining trend particularly in urban areas. This is due to mainly a relatively low rate of return on investment in housing.

In fact investment in housing in the 5 year plans gradually declined over the years. This can be noticed from the following Table No.: 3.3

**TABLE 3.3**

**INVESTMENT IN HOUSING**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Period of the five year plan</th>
<th>Private Sector investment in housing (Rs. in crores)</th>
<th>Public Sector investment in housing</th>
<th>Total investment in housing in housing</th>
<th>Its % to the total investment in the economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>1951-56</td>
<td>250</td>
<td>900</td>
<td>1150</td>
<td>34%</td>
</tr>
<tr>
<td>Second</td>
<td>1956-61</td>
<td>300</td>
<td>1000</td>
<td>1300</td>
<td>19%</td>
</tr>
<tr>
<td>Third</td>
<td>1961-66</td>
<td>425</td>
<td>1125</td>
<td>1550</td>
<td>15%</td>
</tr>
<tr>
<td>Fourth</td>
<td>1969-74</td>
<td>625</td>
<td>2175</td>
<td>2800</td>
<td>14%</td>
</tr>
<tr>
<td>Fifth</td>
<td>1974-79</td>
<td>1044</td>
<td>3636</td>
<td>4680</td>
<td>10%</td>
</tr>
<tr>
<td>Sixth</td>
<td>1980-85</td>
<td>1491</td>
<td>11500</td>
<td>12991</td>
<td>8%</td>
</tr>
<tr>
<td>Seventh</td>
<td>1985-90</td>
<td>2458</td>
<td>29000</td>
<td>31458</td>
<td>9%</td>
</tr>
</tbody>
</table>

The problem encountered in housing in urban and rural areas in India are quite different. In urban areas, housing is a major goal of family saving efforts and constitutes 15%-20% of household expenditure for all but the wealthy.

In rural housing, factors other than availability of land constitute the problem. The houses are made of mud and grass
mostly, resulting in low life span. In the case of house made of brick, cement etc. the availability of suitable construction design, building materials and skilled workers is limited. Also there are the slum dwellers in India. It is not an easy task to give proper housing for the teeming millions of slum dwellers in India.

As on 31-3-81 the housing shortage was estimated by N.B.O. at 23.3 million housing units, of which 16.3 million were in rural areas and 7.0 million in urban areas.

a) Urban Housing:

The problem of Urban Housing especially for the poor is getting aggravated with each passing year and this is due to the population explosion and cost escalation.

b) Rural Housing:

The housing shortage in rural areas comparing to urban areas is more. As per 1981 census, the total housing shortages as stated earlier is 23.3 million of which 16.3 millions in rural areas only. Unfortunately this figure is going on increasing year after year.

The following table indicates the housing shortage in urban and rural areas:


### TABLE 3.4

**ESTIMATED HOUSING SHORTAGE**

(In Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Rural</th>
<th>Urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>6.5</td>
<td>2.5</td>
<td>9.0</td>
</tr>
<tr>
<td>1961</td>
<td>11.6</td>
<td>3.6</td>
<td>15.2</td>
</tr>
<tr>
<td>1971</td>
<td>11.6</td>
<td>2.9</td>
<td>14.5</td>
</tr>
<tr>
<td>1981</td>
<td>16.3</td>
<td>7.0</td>
<td>23.3</td>
</tr>
<tr>
<td>1986</td>
<td>18.5</td>
<td>8.5</td>
<td>27.0</td>
</tr>
<tr>
<td>1987</td>
<td>18.9</td>
<td>8.9</td>
<td>27.8</td>
</tr>
<tr>
<td>1988</td>
<td>19.3</td>
<td>9.2</td>
<td>28.5</td>
</tr>
<tr>
<td>1991</td>
<td>20.6</td>
<td>10.4</td>
<td>31.0</td>
</tr>
<tr>
<td>1996</td>
<td>23.2</td>
<td>12.7</td>
<td>33.9</td>
</tr>
<tr>
<td>2001</td>
<td>25.5</td>
<td>15.5</td>
<td>41.0</td>
</tr>
</tbody>
</table>


This increase in housing shortage is due to the increase in the population. The 1901 population figure of 23.84 crores has shot up to 79.20 crores in 1988 and it is estimated to cross 92.70 crores in the year 2000.

This is happening, despite the increase of the amount of investment by private and public sector, but not in the same proportion as per housing demand.

India’s records in the provision of shelter is almost among the worst in the developing world and this may deteriorate in future by the year 2000.

This may be attributed to the following reasons:

1. Very high migration into metropolitan cities.
2. Concentration of development on economic activities in mega-cities and large towns continue to increase the pressure of population in urban citites.


4. Regular building materials are getting costlier.

5. The most important factor is the rapid increase in population.

D. Financial Institution System:

The system of housing loans is so rigid, comprising of lengthy procedure, large number of paper work and high interest rate.

Also the amount of loan is not sufficient and not to the full value of the flat.

The working system of the housing financial institution is not unified, it differs in many ways like, period of loan, rate of interest, repayment schedule and loan amount.

Also we find that there are no classifications of loan limits resulting in overlapping. Also the needy people are not given on priority basis.

Recognising the gravity of the problem the approach paper to the 7th plan has clearly enunciated as follows:

"In fulfilling the basic needs of the population, housing ranks next only to food and clothing in importance. A certain minimum standard of housing is essential for a healthy
and civilised existence".

As per the 8th five year plan the demand for housing is 41 millions. Even for the purpose of meeting the needs of 20 million houses, an investment of Rs.51,576 crores are required during this plan period.

The 8th five year plan envisages a growth rate of about 6% as against 4.5% in the earlier plans.

From the fore-mentioned analysis of problem of housing in India, we can conclude that, there is a two-fold relation of population growth to housing.

Population strain leads to destruction of jungle. This has naturally adversely affected the pattern of rainfall and its usual distribution. Further the destruction of jungle has led to erosion of soil of the lands under cultivation. On account of felling of trees, 15% of the jungle have been rendered barren 40 lakhs hectares of cultivable land, turning useless for food production.

All these factors are very relevant to residential use of land as the process of conversion of agricultural land may slow down. This will lead to shortage of land for builders in urban and rural areas of job opportunities in rural areas and the pull of better infrastructure available in urban areas.

The problem of shelter in rural areas has not received the kind of attention it deserves, since these areas follow a traditional mould and having been accepted as they are. These
areas ought to enjoy the benefits of modern society. Otherwise, the resulting disparities between the rural and the urban areas also become a push factor for immigration. In rural areas also, the problem of shelter relates to access to land.

Within the present market structure, to provide housing for the poor, plenty of land would have to come into market. The problem of access to shelter for all cannot be resolved unless minimum housing standards are recognised as a right of every individual in our society.

Conservative theory suggests that government must intervene when the free market as structured through some broad rules fails.

Thus a greater emphasis on private initiative in provision of shelter than exist today, will benefit those who have access to land.

E. Housing Finance-A Desperate Situation:

More people continue to live without a house in India than ever before. The total number of the houseless has been increasing as it can be seen from the following Table: 3.5
### TABLE 3.5

**HOUSELESS FAMILIES**

<table>
<thead>
<tr>
<th>Plan Period</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>1.7</td>
</tr>
<tr>
<td>III (1961)</td>
<td>5.7</td>
</tr>
<tr>
<td>VII (1985)</td>
<td>24.7</td>
</tr>
</tbody>
</table>

It is not just a matter of drafting and placing the National Housing Policy (May 1988) before the Parliament. In the context of the various demand and supply dimensions of the problem of housing finance the following statements need careful attention.

1. *National Housing Bank has been raped—as quoted by late M.J. Pherwani.*

2. **Maharashtra State Co-operative Housing Finance Corporation has been deceived by Mr. Pratapmal Surana—a private builder & promoter to the extent of Rs. 4.56 crores.**

3. The important implication of these statements is that the stage is now almost set for the entry of the private sector into the fields of housing and land development and this would shatter to pieces the dream of providing low cost houses to the needy.

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masses. The problem cannot be solved by Government which wants to provide only a lip service to the problem by preparing a model bill akin to legislation, to protect the consumers against erring builders. The crux of the problem is the fall in governmental investment in housing as indicated by the following allocations:

**TABLE 3.6**

<table>
<thead>
<tr>
<th>Plan Period</th>
<th>% allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>35%</td>
</tr>
<tr>
<td>II</td>
<td>19%</td>
</tr>
<tr>
<td>III</td>
<td>15%</td>
</tr>
<tr>
<td>IV</td>
<td>12%</td>
</tr>
<tr>
<td>V</td>
<td>10%</td>
</tr>
<tr>
<td>VI</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

The overall magnitude of the housing problem confronting the country is estimated for a span of 20 years from 1981 to 2001, to be 233 lakh dwelling units in terms of backlog and 638 lakh new dwelling units to meet the incremental housing needs of the growing population during this period.

The total investment required during the period 1981-2001 for both (a) removing the backlog of housing needs up to 1981 (mostly upgradation, repair and renewal) and (b) creation of new housing stocks/additional rooms, etc. for the increase number of households, was estimated at Rs.1,90,000 crores at constant prices based on 1985 cost excluding investment on infrastructure and services.
### TABLE 3.7
**PERCENTAGE OF HOUSING INVESTMENT TO TOTAL INVESTMENT**

<table>
<thead>
<tr>
<th>Plan Period</th>
<th>Total investment in the economy</th>
<th>Investment in housing</th>
<th>% in Hsg. inv.to Total Inv.in</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>1560</td>
<td>1800</td>
<td>3360</td>
</tr>
<tr>
<td>2nd</td>
<td>3560</td>
<td>3100</td>
<td>6750</td>
</tr>
<tr>
<td>3rd</td>
<td>6100</td>
<td>4300</td>
<td>10400</td>
</tr>
<tr>
<td>4th</td>
<td>13655</td>
<td>6980</td>
<td>22635</td>
</tr>
<tr>
<td>5th</td>
<td>31400</td>
<td>16161</td>
<td>47561</td>
</tr>
<tr>
<td>6th</td>
<td>97500</td>
<td>747101</td>
<td>72210</td>
</tr>
<tr>
<td>7th</td>
<td>198148</td>
<td>180000</td>
<td>349148</td>
</tr>
<tr>
<td>8th</td>
<td></td>
<td></td>
<td>7750</td>
</tr>
</tbody>
</table>

Source: Draft Five Year Plans.

In contrast, the investments in other priority sectors of the economy i.e. agriculture, industry etc. have grown steadily and substantially over the plan periods. The comparative decline of housing investment and supply constraints in land has led to the present shelter crisis.

To tackle the serious dimension of the housing problem confronting the country, the immediate need is to reverse the delining investment trend. It is only by stepping up the investment at once in the shelter sector and urban infrastructure and increasing it at a steady pace thereafter and taking other related measures, there can be hope of a significant change in the housing situation and improvement in the quality of environment.
of settlements.

In line with past trends, the proposed investment of Rs.77,496 crores over 1990-95 should be aimed, out of which 10% should be in the public sector, and reflected in central and state budget. The immediate goal should, therefore, be to double the investment in the public sector during 1990-91 and create conditions for increased flow of funds in the private sector. The share of financial institutions and Provident Fund should go up to 20% of the annual investment over 1990-95.

F. Capital Formation:

After excluding estimated capital formation over 1981-90 the estimated investment over 1991-2000 at 1985 prices would be about Rs.1,40,000 crores. The dimension of the problem in terms of investment appears to be quite staggering. It is necessary to raise the real investment in housing by over 35% each year in order to realise the goal of eliminating shelterlessness.

As against the substantial requirement of funds in the housing sector, the investment has progressively declined over the Plan period as would be clear from the Table 3.7.

G. State’s Role in Housing Finance:

Further, the state should provide necessary support in terms of making available land, infrastructure, adequate supply of building materials, access to local resources, helpful institutions and regulatory framework to create an appropriate climate
so that the desired level of capital formation in housing results through the efforts of private sector, household sector both in informal settlements and rural areas be recognised that inadequa-
cy of financial resources is not the sole inhibiting factor. There are other important constraints to be tackled such as insufficient availability of land for housing, changes in some of the laws affecting housing, development of more cost effective building materials, etc. NHB as an Apex body is attempting to co-
ordinate all these various aspects in order to meet the challenge of providing shelter to all.

H. Prospects of Real Estate Business Through Housing Finance

Prospects:

Land is the best investment in India today. Gold no longer holds the glitter it held for people till some years back. Blue chip shares and fixed debentures may get any one a lucrative return on the capital invested, but in real estate sky is the limit to earn money, thanks to the escalation taking place in land prices.

For instance in Delhi land prices have appreciated from 50 to 100 percent in the last five years alone, in Bombay rates have doubled in last few years. Same is the position in cities like Madras and Bangalore where prices of land have trebled since 1986. Smaller towns like Kanpur, Lucknow, Poona and Mysore have witnessed similar trends.

Housing shortage has been and is still a key to the
The prosperity of builders, promoters, property dealers and estate agents. The government agencies have not been able to provide sufficient stock of houses to the urban and rural population. The housing shortage is expected to aggravate in future. According to an estimate by the Commerce research Bureau the total housing shortage is likely go up to 24.7 million in 1995 and further to 39 million by the end of the century. In Delhi alone more than 10 lakhs new housing units are required by 2001.

Hence Investment in housing will have to be increased by 30-35 percent over the present level to achieve the foregoing. Not only the existing housing needs will have to be met, but the additional households will have to be added by the year 2001 to be enabled to secure themselves housing at least as per the minimum housing norm.

In view of wider variations in the country in terms of topography and climate, local housing typology social economic conditions etc. standard norms and uniform approaches and programmes for the country as whole has not been laid. The state governments should play the primary role in formulating action plan, programmes and schemes suited to the local needs and conditions. Programmes and schemes will be continuously evaluated and modified on the basis of feedback and experience. Therefore, the Housing Policy will be reviewed periodically which has to be dynamic to be able to meet the emerging needs and demands of the changing economic condition and style of the people.
A strategy for tackling the housing problem

Internal borrowings
External assistance

National Housing Bank

Building Materials
R&D
Commercial production

Public Agencies
Facilitators
develop land
provide infrastructure

Open Market

20 to 25 per cent
Built houses/flats

20 to 40 per cent

 HLSA - Home Loan Account Scheme.
HFI - Housing Finance Institutions.
R&D - Research & Development.

Our goal: Shelter for all.
Our motto: Small man first.
A strategy for tackling the housing problem

Facilitators develop land & provide infrastructure

Public Agencies

National Housing Bank

Building Materials

R&D Commercial production

Finance projects

Banks / HFs

Internal borrowings

External assistance

Households (HLA)

Rentals

Co-operative societies

Private developers

Individual efforts

Buy

Sell

Our goal: Shelter for all.

Our motto: Small man first.

R&D - Research & Development

Public Agencies

National Housing Bank

Finance projects

Banks / HFs

Building Materials

R&D Commercial production

Facilitators develop land & provide infrastructure

Open Market

20 to 25 per cent
Built houses/flats

HLAS - Home Loan Account Scheme.

R&D - Research & Development

Our goal: Shelter for all.

Our motto: Small man first.